



REGULAR MEETING OF THE BOARD OF DIRECTORS

District Office, 18966 Ferretti Road

Groveland, CA 95321

(209) 962-7161 www.gcsd.org

AGENDA

January 11, 2022

10:00 a.m.

BOARD MEMBERS AND PUBLIC MAY ATTEND IN PERSON AT DISTRICT OFFICE OR VIA VIDEO CONFERENCE AS DETAILED BELOW:

Under the Governor's Executive Order N-25-20 and Order N-29-20, members of the Board of Directors can participate by videoconference or teleconference. Accessibility Requirements, if you need swift special assistance during the Board meeting, please call (209) 962-7161. The District office is open to the public at this time from 9am to 4:30pm Monday through Thursday and 9am to 4pm on Friday (Closed between 12pm-2pm). All members of the public seeking to observe and/or to address the GCSB Board may participate in the meeting telephonically or otherwise electronically in the manner described below:

HOW TO OBSERVE AND PARTICIPATE IN THE MEETING:

Computer, tablet or smartphone: Watch the live streaming of the meeting from a computer by navigating to <https://us02web.zoom.us/j/7688070165> using a computer with internet access that meets Zoom's system requirements

Telephone: Listen to the meeting live by calling Zoom at (253) 215-8782 or (301) 715-8592. Enter the Meeting ID# 279-281-953 followed by the pound (#) key. More phone numbers can be found on Zoom's website at <https://zoom.us/u/abb4GNs5xM> if the line is busy.

Mobile: Log in through the Zoom mobile app on a smartphone and enter Meeting ID# 279-281-953.

HOW TO SUBMIT PUBLIC COMMENTS:

Written/ Read Aloud: Please email your comments to board@gcsd.org, write "Public Comment" in the subject line. In the body of the email, include the agenda item number and title, as well as your comments. If you would like your comment to be read aloud at the meeting (not to exceed three minutes at staff's cadence), prominently write "Read Aloud at Meeting" at the top of the email.

Telephonic / Electronic Comments: During the meeting, the Board President or designee will announce the opportunity to make public comments by voice and in writing, and identify the cut off time for submission of written comments. Comments can be emailed in advance of the Board meeting and up to the time of Board consideration of the item during the meeting. Send email to board@gcsd.org, and write "Public Comment" in the subject line. Once you have joined the Board meeting online using Zoom, public comments can also be submitted using the Chat function while in the Zoom Meeting. In the body of the email or Chat, include the agenda item number and its title, as well as your comments. The Board President will also public comment to be made verbally prior to consideration of each agenda item, and will explain the procedure for making verbal comments during the meeting. Once the public comment period is closed, comments timely received in advance of consideration of the agenda item will be read aloud prior to Board action on the matter. Comments received after the close of the public comment period will be added to the record after the meeting.

ACCESSIBILITY INFORMATION:

Board Meetings are accessible to people with disabilities and others who need assistance. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to observe and/or participate in this meeting and access meeting-related materials should contact Rachel Pearlman, Board Secretary, at least 48 hours before a regular meeting at (209) 962-7161 or rpearlman@gcsd.org. Advanced notification will enable the District to swiftly resolve such requests to ensure accessibility.

AGENDA MATERIAL:

Physical copies of agenda material will not be available at the meeting. All agenda material can be accessed on the District Board Meeting Webpage at <https://www.gcsd.org/board-meetings-meeting-documents>. Physical copies can be obtained through the District office once made available.

PUBLIC RECORDS:

Public records that relate to any item on the open session agenda for a meeting are available for public inspection. Those records that are distributed after the agenda posting deadline for the meeting are available for public inspection at the same time they are distributed to all or a majority of the members of the Board. The Board has designated the District's website located at <https://www.gcsd.org> as the place for making those public records available for inspection. The documents may also be obtained by calling the District office.

ALL AGENDA MATERIAL ARE AVAILABLE ON THE DISTRICT WEBSITE AT WWW.GCSD.ORG OR MAY BE INSPECTED IN THE GROVELAND COMMUNITY SERVICES DISTRICT OFFICE AT 18966 FERRETTI ROAD, GROVELAND, CALIFORNIA

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REGULAR MEETING OF THE BOARD OF DIRECTORS

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(209) 962-7161 www.gcsd.org

TELECONFERENCE AGENDA

January 11, 2022

10:00 a.m.

Call to Order

Pledge of Allegiance

Roll Call of Board Members

Janice Kwiatkowski, President

Nancy Mora, Vice President

John Armstrong, Director

Spencer Edwards, Director

Robert Swan, Director

1. Approve Order of Agenda

2. Public Comment

Members of the public are appreciated for taking the time to attend this meeting and provide comments on matters of District business. Public comments are subject to a 3-minute time limit; 10 minutes on an individual topic. Although no action can be taken on items not listed on the agenda, please know we are listening carefully to your comments.

3. Information Items

Brief reports may be provided by District staff and/or Board members as information on matters of general interest. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future agenda. Public comments will be taken after each report is provided.

A. Staff Reports

- i. Fire Department Report
- ii. General Manager's Report
- iii. Operations Manager's Report
- iv. Administrative Services Manager's Report
 - I. Presentation of the 2021 District Year in Review

B. Standing Committee Reports

- i. 2021 Sewer Improvements

C. Proclamations

- i. Recognition of Luis Melchor for his 15 Years of Service to the Groveland Community Services District
- ii. Recognition of Andrew Marshall for his 4 Years of Service to the Groveland Community Services District
- iii. Recognition of Zach Pacheco for his 2 Years of Service to the Groveland Community Services District

4. Consent Calendar

Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the Board, Staff or a member of the Public requests specific items be set aside for separate discussion.

- A. Approve Minutes from the December 14, 2021, Regular Meeting

- B. Approve Minutes from the January 6, 2022, Committee Meeting
- C. Accept December 2021 Payables
- D. Adoption of a Resolution Proclaiming a Local Emergency Persists, Ratifying the Proclamation of a State of Emergency by Governor's Executive Order N-25-20 and Order N-29-20, and Re-Authorizing Remote Teleconference Meetings of the Legislative Body of the Groveland Community Services District for the Period of January 11, 2022, through February 8, 2022 Pursuant to Brown Act Provisions
- E. Adoption of Resolution Accepting an Exclusive Sewer Easement Grant Deed from Assessor's Parcel Numbers 090-210-009 and 090-20-010
- F. Acceptance and Filing of CEQA Notices of Exemption for the WWTP Fuel Tank Replacement Project and Automated (Water) Metering Infrastructure Project
- G. Waive Reading of Ordinances and Resolutions Except by Title

5. Old Business

(Items tabled or carried forward from a previous meeting to be considered on this agenda. The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action)

- A. Adoption of a Resolution Rescinding the Community Facilities District 2021-01 Future Annexation Area and Related Actions Detailed in District Resolutions 18-2021, 22-2021, 25-2021 and Ordinance No. 1-2021 Which Authorized the Levy of Special Taxes on Properties Annexing to the Community Facilities District 2021-01

6. Discussion and Action Items

The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.

- A. Acceptance of the District's Audited Financial Statements for Fiscal Year 2020/21 as Presented by Gilbert and Associates
- B. Adoption of a Resolution Approving an Addendum to the Mitigated Negative Declaration for the Downtown Groveland and Big Oak Flat Sewer Collection System Improvements Project
- C. Consideration of Approval of the Community Improvement Project Scope to be Submitted to the Clean California Grant Program in Partnership with the Yosemite Hwy 120 Chamber of Commerce
- D. Election of Board Officers for Calendar Year 2022

7. Adjournment

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**Groveland Community Services District
Fire Department / CALFIRE**

18966 Ferretti Road Groveland, CA 95321

Staff Report
January 1, 2022

To: Board of Directors

From: Andy Murphy, Assistant Chief
By: Dave Donabedian, Engineer

Subject: Monthly Activity Report – December 1, 2021 to December 31, 2021

Operations:

Emergency Incident Response:

At approximately 10:17pm on December 10, 2021, Engine 781, Tuolumne County Fire Department, and CAL FIRE, were dispatched to the 20000 block of Rock Canyon Way in Groveland for a residential structure fire. Upon arrival at scene, the crews noticed light smoke coming from the chimney box on the roof. Crews saw there was no fire inside the structure, made access to the roof and were able to expose the metal flashing around the chimney box to expose the fire. Using a specialized piece of equipment called a thermal imaging camera (TIC), crews were able to determine there was no extension to the roof or roof components, and the fire was contained to the wooden chimney box. The homeowners were not displaced due to this incident. The fire cause was determined to be from radiant heat coming from the stovepipe.

At approximately 4:29pm on December 29, 2021 Engine 781 was dispatched to Mar-Val Market for an unresponsive person in the parking lot. Upon arrival at scene the crew located a patient on the sidewalk, unconscious, and unresponsive. Engine 781 members began breathing for the patient using a bag valve mask. It was determined that the patient's condition may have been caused by an opioid overdose. Medic 41 arrived at scene and the patient was then given naloxone, also known as Narcan, which reverses the effects of opioids. The patient became alert and oriented within two minutes of receiving this medication. The patient was then transported to Adventist Health Sonora by Medic 41. Narcan was recently added to the EMT scope of practice. Due to the possible ambulance delays in Groveland, we are continuing to pursue adding Narcan to our medical equipment at Station 78.

Apparatus and Equipment:

Apparatus	Description	Status
Engine 781	2009 Pierce Contender	In Service
Engine 787	2000 Freightliner FL112	In Service
Engine 783	1995 International Model 15	In Service
Utility 786	2008 Chevrolet 2500	In Service

Training:

In addition to our monthly Emergency Medical Technician (EMT) curriculum and engine company performance standards, Battalion personnel received the following specialized training:

- Ropes
- Stokes
- Multi-Purpose Device
- Patient Packaging
- Winter Emergency Driving
- Extrication
- Vehicle Stabilization
- FAE Brendan Dempsey successfully completed his final JAC test
- FAE Moreno attended Haz-Mat IC



Multi-Company Rope Rescue Training

Fire Department News:

Through December, Engineer Pat Cohen fabricated mounts for our recently acquired Paratech Highway Vehicle Stabilization Kit, that we received in October. The new mounting brackets allow for quicker and safer access to this life saving equipment. New mounts for the extrication equipment have been ordered and should be installed soon.



MONTH - December 2021

STATION 78

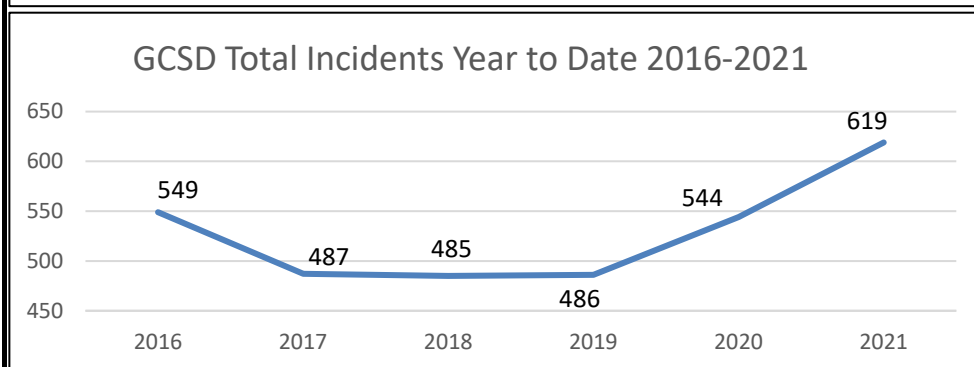
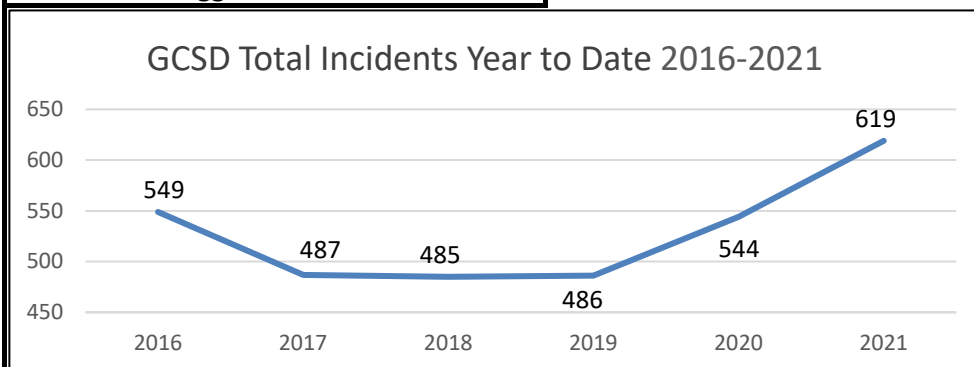
Alarm Sounding	1
Odor Investigation	0
Debris Fire	0
Medical Aid	33
Fire Menace Standby	1
Fire Other	1
Haz Mat	0
Landing Zone	0
Plane/Heli Crash	0
Public Assist	8
Smoke Check	0
Structure Fire	1
Commercial Structure Fire	0
Vegetation Fire	0
Vehicle Accident	1
Vehicle Accident/Pin in	0
Vehicle Fire	0
TOTAL	46



Auto Aid	Given
Tuolumne County	4
Inc# 15792 Medical Aid Prospect Heights Inc# 15906 Medical Aid Prospect Heights Inc# 16942 Medical Aid Packard Canyon Inc# 17244 Medical Aid Prospect Heights	

ALS	
YES	NO
22	11

Last Call Logged Run # TCU 017297





TO: GCSB Board of Directors

FROM: Peter Kampa, General Manager

DATE: January 11, 2022

SUBJECT: Agenda Item 3Aii. General Managers Report

Overview

Highlights for the period of December 11, 2021 to January 7, 2022 include the following with additional detail provided below on major topics of interest:

- Planning and preparation for park grant applications
- Initiated direct communication with property owners in Pine Mountain Lake directly affected by construction of the Sewer Collection System Rehabilitation Project (more detail below)
- Kicked off the Wastewater Funding Committee and conducted our first meeting; reviewed current draft funding guidelines
- Prepared the Management Discussion and Analysis report for the 2021 FYE audit

PARK MASTER PLANNING AND GRANT APPLICATIONS

We are actively participating in the Blue Zone Project started by Adventist Health, which seeks to support projects that improve opportunities for people to get outside and recreate safely on trails, parks and other outdoor venues. The program has agreed to support our park improvements and we will be meeting with them on January 12, 2022. Staff is in the process of submitting applications to the Clean California Grant, State Recreation and Tourism Grant and preparing in the spring to submit for the state active transportation grants as well as the state recreational trails grant program due in March 2022.

CLEARWELL REHABILITATION PROJECT

Tank recoating work at 2G is complete, but unfortunately the water supply to that tank is out of services for the tunnel shutdown through March 2022. We have requested a one-year contract extension from the state as the last day to submit reimbursements under this contract is March 21, 2022. We are still waiting for the sound enclosure to be set and punch list items to be completed.

SEWER COLLECTION SYSTEM REHABILITATION PROJECT

We received state approval of our project budget and can proceed with the work in downtown Groveland and Big Oak Flat. The state has categorized the PML work as Phase 2 of the project and will begin consideration of the Phase 2 budget when the CEQA amendment is approved by our Board. The state staff on our projects have changed, and we are being told the state may want a contract amendment to include the PML system renovation work, which was not included in the initial engineering study and state funding application submitted in 2016/17. We are hopeful that we will receive state approval for the Phase 2 budget within the next 4 months, and may delay issuance of the Phase 1 notice to proceed to accommodate contractor scheduling.

WASTEWATER FUNDING COMMITTEE/CWSRF

The wastewater funding committee met last week to review options to complete wastewater treatment plant upgrades and potentially connect certain properties on private septic systems where the owners would like to be connected to the public sewer system. Since that meeting date the state has released their draft final intended use plan that outlines how the \$650 million state budget money will be spent. Under the proposed plan, if the district maintains its status as a small disadvantaged community, we would be eligible for 100% grant up to a maximum of \$45,000 per household served. Using that maximum, the district would be eligible for up to \$67,500,000 to rebuild its wastewater treatment plant. If the district would include conversion of some private septic systems to the GCSO sewer system, the maximum is increased to \$100,000 per property, and the priority of the project scoring would be increased. Submitting an application for the wastewater treatment plant only may not receive a high priority ranking for funding due to the fact that we are in compliance with all of the requirements of our state permit currently. As we have discussed we expect that the state will, in some near term future year, begin the process of updating our wastewater discharge permit, and we will require to come up to current standards and at that time would then be eligible for priority funding. Obviously this funding will not be available for many years.

The committee will continue to look at and seek out public information and input regarding interest and connecting private septic systems to the GCSO public sewer. Either way, it appears that the committee is leaning toward a recommendation that we apply at minimum for funding for the wastewater treatment plant upgrade. A 100% grant is also available for planning studies, which if we are eligible should be our first course of action. The state is also requiring that we do a local income survey to determine if we are still identified as a small Disadvantaged Community (DAC), which means that community income is below 80% of the statewide median income. If the survey reveals that our service area has income between 80% and 100% of the statewide MHI, we do not qualify for any grant through this program unless we include septic to sewer conversions; in which case we would qualify for 50% grants.

In addition, \$350 million of the \$617.5 million available will be reserved for septic-to-sewer projects. Eligible septic-to-sewer planning or construction projects that serve small DACs will be awarded funding as applications are complete, with priority for projects that include a local investment (including but not limited to loan funds, local and private funding, and donated or in-kind services provided by the applicant or another local project partner). Construction projects for Large DACs or small non-DAC communities may also be eligible to receive some of these set-aside funds, but small DACs will be prioritized. To compete for remaining septic-to-sewer set-aside funds, septic-to-sewer applications that serve large DACs or small non-DACs must at a minimum submit a CWSRF general application form via FFAST prior to November 1, 2022. DFA staff will review the general applications submitted and invite eligible projects to complete their full application by March 1, 2023. Projects must be ready to start construction by spring of 2024 and complete construction by the end of 2025. Priority will be given to projects that address impacts to water quality. If demands exceed available funds, the Deputy Director will have discretion to partially fund projects. The funding opportunities summary is attached.

MISCELLANEOUS

- Received and responded to stakeholder notifications from Tuolumne county for two projects (attached):
 - A two phased storage unit installation located at 11951 Ponderosa Lane
 - An electric vehicle charging station located at the intersection of Powderhouse and Hwy 120

**GROVELAND COMMUNITY SERVICES DISTRICT
BIG CREEK AND SECOND GARROTTE CLEARWELLS REHABILITATION
PROJECT
CONSTRUCTION PROGRESS MEETING**

January 4, 2022 @ 8:30 AM

AGENDA

- I. INTRODUCTIONS
- II. CONSTRUCTION PROGRESS SNAPSHOT
 - a. Total Project Cost (Contractor) \$3,118,200.00
 - b. Total Funding Agreement (Total Project) \$3,954,200.00
 - c. Budget Spent to Date (Contractor) \$2,916,486.31
 - d. Budget Spent to Date (Total Project) \$3,329,064.20 (+\$12,916.00, CCO 5, 8)
 - e. Total Project Contingency \$361,000.00
 - f. Contingency Used to Date \$108,970.89 (+\$12,916.00, CCO 5, 8)
 - g. Percentage Funding Used to Date (Contractor) 93.5%
 - h. Percentage Funding Used to Date (Total Project) 84.2% (84.5%)
 - i. Percent Contingency Used to Date 30.2% (33.7%)
 - j. Days for Completion 136 Working Days (+2 Days, CCO 5, 8)
 - k. Elapsed Days 266 Working Days
 - l. Weather Day 4 Weather Day
 - m. Remaining Days -126 Working Days (-124 CCO 5, 8)
- III. CONSTRUCTION SITE REPORTS
 - a. Progress to Date
 - b. Contractor (1-MONTH LOOK AHEAD)
- IV. CHANGE ORDERS
 - a. Groveland CSD Contingency Used
 - i. Labor, Material and Equipment costs for valve/piping replacement at Butler Way Pump Station – Moyle (\$16,034.80)
 - b. Pending Change orders
 - i. Pending Change Order No. 19 – Additional Work for Exterior Pipes at Second Garrotte (\$14,700 and 4 Working Days) (Time & Material)

c. Fully Executed

- i. Change Order No. 1 – Additional Structural Repairs in Big Creek Clearwell (\$33,217.80 and 8 Additional Working Days)
- ii. Change Order No. 2 – Relocation of ARV to Adjacent Wye Fitting at Butler Way Pump Station (No Cost and 2 Additional Working Days)
- iii. Change Order No. 3 – Installation of Insulation in Both the Big Creek and Second Garrotte New Electrical Cabinets (\$953.00 and No Working Days)
- iv. Change Order No. 4 – Inspection Sand Blast (Time & Material) (\$46,457.90 and 4 Additional Working Days)
- v. Change Order No. 5 – Addition of Inlet ARV at Butler Way Pump Station (\$2,116.00 and 1 Working Day)
- vi. Change Order No. 6 – Upgrade of Pressure Transmitter at Butler Way Pump Station (\$3,832.50 and 0 Working Day)
- vii. Change Order No. 7 – Additional Communications Between Tank1 and Butler Way Pump Station (\$5,637.45 and 1 Working Day) (Pending Contractor Execution)
- viii. Change Order No. 8 – Additional Big Creek Punch List Items (\$10,800 and 1 Working Day)
- ix. Change Order No. 9 – Additional Work at Butler Way Pump Station (Discharge Piping) (\$2,837.44 and 1 Working Day)

d. Denied

- i. Pending Change Order No. 1 – Oil in Tank (\$48,539.00 and 14 additional Working Days)
- ii. Pending Change Order No. 6 – Lid Pin Holes Repairs (\$14,200 and 2 additional Working Days)
- iii. Pending Change Order No. 11 – Oil Removal from Big Creek Clearwell Baffles (\$39,078.00 and 7 Working Days)
- iv. Pending Change Order No. 15 – Oil in Second Garrotte Clearwell (\$22,000 and 4 Working Days)
- v. Pending Change Order No. 16 – Oil in Second Garrotte Clearwell Baffles (\$10,600 and 2 Working Days)
- vi. Pending Change Order No. 18 – Additional Endura flex Coating Expenses (\$72,450.00 and 0 additional Working Days)

- V. SUBMITTAL REVIEW
 - a. Approved Submittals
 - i. Submittal No. 1 – 44
 - b. Remaining Submittals
 - i. None
- VI. REVIEW RFI LOG
 - a. Responded RFI's
 - i. RFI No. 1 – 37
 - b. Pending RFI's
 - i. None
- VII. Claims
 - a. Claim No. 1 – Oil in Big Creek Clearwell
 - i. Responded
 - b. Claim No. 2 – Additional Expenses Incurred for Big Creek Clearwell Coating
 - i. Responded
 - c. Claim No. 3 – Relocation of ARV at Butler Way Pump Station
 - i. Claim Removed
 - d. Claim No. 4 – Mill Scale in Big Creek Clearwell and Chlorine Contact Tank
 - i. Responded
 - e. Claim No. 5 – Oil Removal from Big Creek Baffles
 - i. Received 11/10/2021 (Response by 12/10/2021)
 - f. Claim No. 6 – Oil in Second Garrotte Clearwell
 - i. Received 11/10/2021 (Response by 12/10/2021)
 - g. Claim No. 7 - Oil Removal from Second Garrotte Baffles
 - i. Received 11/10/2021 (Response by 12/10/2021)
 - h. Claim No. 8 - Additional Expenses Incurred for Second Garrotte Clearwell Coating
 - i. Received 11/19/2021 (Response by 12/19/2021)
- VIII. PAYMENT REQUESTS
 - a. Processed
 - i. Disbursement Request No. 1 (\$331,640.00)
 - 1. Received.
 - ii. Disbursement Request No. 2 (\$298,997.00)
 - 1. Received.

- iii. Disbursement Request No. 3 (\$673,932.00)
 - 1. Received.
- iv. Disbursement Request No. 4 (\$510,681.00)
 - 1. Received.
- v. Disbursement Request No. 5 (\$132,385.00)
 - 1. Received.
- vi. Disbursement Request No. 6 (\$49,199.00)
 - 1. Received.
- vii. Disbursement Request No. 7 (\$301,594.00)
 - 1. Received.
- viii. Disbursement Request No. 8 (\$326,571.00)
 - 1. Received.
- ix. Disbursement Request No. 9 (\$293,255.00)
 - 1. At Controllers Department (12/17/2021)
- x. Disbursement Request No. 10 (\$260,641.00)
 - 1. Submitted (12/8/21)
- xi. Disbursement Request No. 11 (Pending)

IX. PROJECT SCHEDULE

- i. Butler Way
 - 1. Sound enclosure was scheduled to be installation on January 4, 2021.
 - a. Manufacturer representative got COVID and delayed the installation.

X. CONCERNS

- i. Negotiated Claims removal with Contractor.
 - 1. Tank 5 coating quote received.
 - 2. Tank 5 replacement quote requested (Bolted/Welded)
 - a. With Enduraflex coating
 - 3. Big Creek and 2G piping coating quote received (Sand Blasting)
 - 4. Big Creek and 2G piping coating quote requested (Overcoat)

XI. ADJOURN



Fact Sheet

Budget Act of 2021 – Wastewater Infrastructure Appropriation

Overview

The Budget Act of 2021 (Senate Bill 129 and Senate Bill 170) appropriated \$1.55 billion to the State Water Resources Control Board (SWRCB) in item 3940-106-0001 (the Infrastructure Appropriation). The budget bill specifies that \$650 million (M) is for wastewater projects, with priority given to septic-to-sewer conversions.

Key Provisions:

- Up to 5% for SWRCB administrative costs (leaves \$617.5 M for wastewater grants).
- Up to 10% may be utilized for technical assistance (TA) and capacity building in DACs.
- Must be encumbered by June 30, 2024.
- Must be liquidated by June 30, 2026.

Wastewater Grant Eligibility

SWRCB Resolution No. 2021-0030, dated August 18, 2021

- Authorized the Division of Financial Assistance (DFA) to encumber up to \$100 M of the wastewater allocation from the Infrastructure Appropriation.
- This grant funding is awarded consistent with the eligibilities, conditions, and processes set forth in the - State Fiscal Year (SFY) 2021-22 Clean Water State Revolving Fund (CWSRF) Intended Use Plan (IUP).
- Any programmatic or project-specific funding cap set forth in the CWSRF IUP can be waived for the purposes of awarding the Infrastructure Appropriation Funds, as are several CWSRF cross-cutting compliance obligations.

Implementation Plan for remaining \$517.5 M available:

- DFA intends to rely on existing funding processes outlined in the CWSRF IUP as the basis for administering the wastewater infrastructure funds. Targeted amendments to the SFY 2021-22 CWSRF IUP are proposed, to streamline funding processes and maximize opportunities for eligible projects. Key next steps in the process include:
 - **NEW** Draft Implementation Plan posted for public comment – **January 6, 2022**
 - [Public Notice](#)
 - [Draft 2021-22 CWSRF IUP Amendments \(Track Changes\)](#)
 - [Draft 2021-22 CWSRF IUP Amendments \(Clean Version\)](#)
 - Board Workshop on Draft Implementation Plan – **January 20, 2022**
 - SWRCB consideration of Implementation Plan – **March 15, 2022**

Summary of Past Stakeholder Meetings

- Wastewater Stakeholder Meeting - **October 20, 2021**
 - [Presentation](#)
 - [Recorded Meeting](#)



Fact Sheet

Budget Act of 2021 – Wastewater Infrastructure Appropriation

Stay Informed:

Subscribe for email updates at:

www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html

- Click on “Financial Assistance”
- Check box titled “Clean Water State Revolving Fund”

Wastewater Funding Opportunities

State Budget Act 2021



Discussion Goals

Inform on	Inform on the large amount of funding available through the state budget act
Discuss	Discuss the state's push for conversion of private septic systems to public sewer
Discuss	Discuss GCSD Wastewater Plant needs
Review	Review opportunities
Determine	Determine next steps

Budget Act of 2021 – State Water Board Allocations

Allocation (Millions)	Project Type
\$650	Wastewater projects <i>*priority to septic-to-sewer conversions</i>
\$650	Drinking water projects <i>*priority to disadvantaged communities (DACs)</i>
\$30-100	Per- and polyfluoroalkyl substances (PFAS) support for water systems
\$150-350	Groundwater cleanup and water recycling projects
\$20	Mexico border rivers
\$	Other project-specific/directed allocations

Current CWSRF Intended Use Plan Criteria Small Communities

		Grant Amount		
Community MHI	WW Rates as % of MHI	Grant % of Eligible Project Cost	Max Grant Per Project	Max Cost Per Household Per Project
Non-DAC	4%	50%	\$6 M	\$30,000
DAC	≥1.5%	75%	- or - \$10 M	- or - \$75,000
SDAC	N/A	100%	Septic to Sewer/ Regional	Septic to Sewer/ Regional

MHI = Median Household Income, SDAC = Severely DAC

Planning grant/PF amount for project subtracted from max eligible construction grant/PF.

Broaden Existing Grant Criteria in IUP?

1. **Eliminate Max per Project & Focus on Max per Connection?**
2. **Planning**
 - A. **Follow Existing IUP - \$500K per community per project?**
 - OR
 - B. **No Max - Planning Costs Count Towards Total Grant per Connection Over 5 Years?**
3. **Construction**
 - A. **Per Connection Limits**
 - 1) **Septic-to-Sewer: Increase caps from \$75k/connection to \$100k/connection?**
 - 2) **Other: Increase caps from \$30k/connection to \$45k/connection?**
 - B. **Grant %**
 - 1) **SDACs currently eligible for 100% grant regardless of wastewater rates**
 - 2) **DACs required to have wastewater rates > 1.5% of their MHI to get 75% grant**
 - a) **Keep the same?**
 - b) **Should DACs be eligible for up to 100% grant?**

Septic-to-Sewer Set-Aside? Pt.1

1. Create set-aside for septic-to-sewer projects?
2. Open set-aside to larger or non-DAC projects?
3. Is \$350 M a good set-aside amount?

Septic-to-Sewer Set-Aside? Pt. 2

If larger or non-DAC projects are eligible for set-aside, it could result in an influx of larger ready-to-proceed applications.

1. Have set solicitation process for these entities?
 - Example:
 - Fall 2022 for concept deadline
 - Invite back eligible projects
 - Spring 2023 to complete full application
 - Construction start by spring 2024
 - Complete by end of 2025
2. Reserve portion of set-aside for small DAC septic-to-sewer projects to fund on continuous basis?

Tentative Next Steps

December 2021: Public Workshop

February 2022: Board Adoption of Proposed Criteria

Stay Informed

➤ Subscribe for email updates at:

www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html

- Click on “Financial Assistance”
- Check box titled “Clean Water State Revolving Fund”

➤ Updated information on the wastewater Infrastructure Appropriation will be in the “What’s New” section on the CWSRF Program webpage:

https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/



COMMUNITY DEVELOPMENT DEPARTMENT

Quincy Yaley, AICP
Director

Land Use and Natural Resources – Housing and Community Programs – Environmental Health – Building and Safety – Code Compliance

Date: December 17, 2021
To: Interested Stakeholder
From: Tuolumne County Community Development Department
RE: Conditional Use Permit CUP21-005
Assessor Parcel Number: 007-031-001

48 Yaney Avenue, Sonora
Mailing: 2 S. Green Street
Sonora, CA 9537
(209) 533-563
(209) 533-5616 (Fax)
(209) 533-5909 (Fax – EHL)
www.tuolumnecounty.ca.gov

The Community Development Department thanks you for your participation in the land development process in Tuolumne County. We value your comments and look forward to your continued participation in our planning process. This process provides information on your requirements and concerns to the applicant early in the review process. Involvement on your part can eliminate or minimize problems that could arise later.

Property Owner: Leonard Cassaretto
Applicant/Project Manager: David Hanham
David Hanham & Associates
Contact: davidhanham@yahoo.com

Project: The Community Development Department (CDD) has received an application for the following:

Conditional Use Permit CUP21-005 to allow a phased expansion of an existing mini-storage facility and outdoor storage on a 2.3± acre parcel zoned C-1 (General Commercial) under Title 17 of the Tuolumne County Ordinance Code (TCOC).

Location: The project site is located at 11951 Ponderosa Lane, approximately 170± feet north of the intersection of Ponderosa Lane and Hopper Street, in the community of Groveland. Within a portion of Section 21, Township 1 South, Range 16 East Mount Diablo Baseline and Meridian and within Supervisorial District 4. Assessor Parcel Number 007-031-001.

Access: Ponderosa Lane

Sewage Disposal Method: Groveland Community Services District

Water Source: Groveland Community Services District

Fire Hazard Rating: Very High Fire Hazard Severity Zone

Additional Information:

1. Existing mini-storage facility exists pursuant to CUP99-035 approved on May 24, 2000.
2. Phase 1 will include building #1 (2,000± square feet) and outdoor storage area.
3. Phase 2 will include Buildings 2- 5 with outdoor storage. See below as proposed:
 - Building #2 - 2,000± square feet
 - Building #3 - 2,000± square feet
 - Building #4 - 1,080± square feet

- Building #5 - 2,000± square feet

4. Design of building will match the image as shown below.

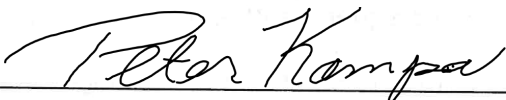
Please complete the following and return no later than **January 5, 2022**.

Staff Contact: Cheydi Gonzales
(209) 533-6641
cgonzales@co.tuolumne.ca.us

AGENCY: Groveland Community Services District

COMMENTS: _____

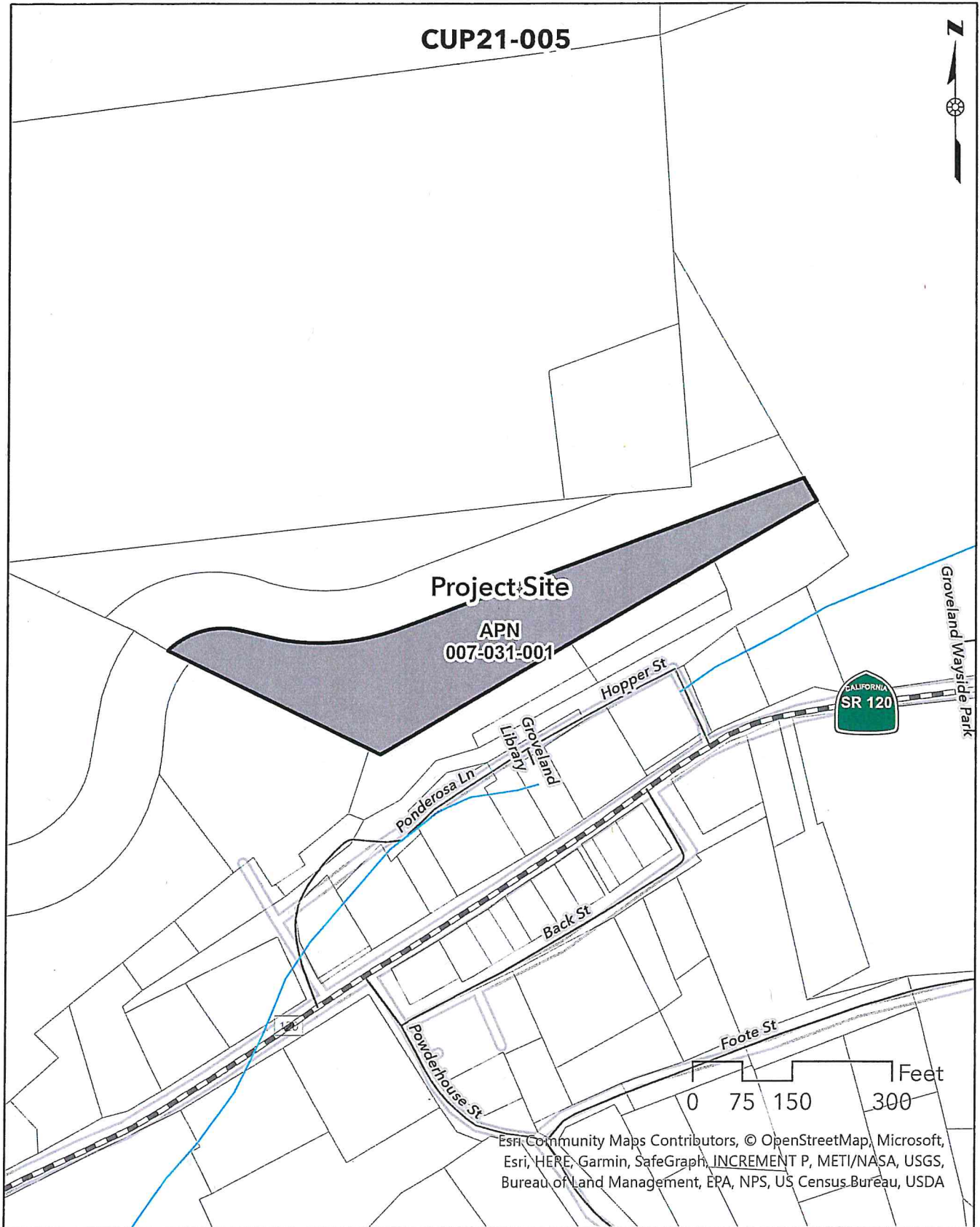
The Groveland Community Services District provides water, sewer, fire and park services to the project subject to the Conditional Use Permit CUP21-005, located at 11951 Ponderosa Lane. The project shall comply with GCSD rules, regulations, policies and ordinances related to these services, including the requirement for the installation of fire suppression systems/and or public fire hydrants installed within easements dedicated to the District. An application for water and/or sewer service is required if the project is to contain plumbing fixtures and no connections shall be made for water or sewer service from adjacent properties pursuant to District ordinances. Deposit and construction agreements with the District are required should the project require the extension of water or sewer service or for fire hydrant(s).

Signed by: 

Agency: Groveland Community Services District

Date: January 5, 2022

VICINITY MAP



CUP21-005

Project Site

APN
007-031-001

Ponderosa Ln

Groveland
Library

Hopper St

Back St

Powderhouse St

Foote St

CALIFORNIA
SR 120

Groveland Wayside Park

0 75 150 300 Feet

Esri, Community Maps Contributors, © OpenStreetMap, Microsoft, Esri, HERE, Garmin, SafeGraph, INCREMENT P, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, US Census Bureau, USDA

SITE PLAN

HETCH HETCHY RAILROAD

HETCH HETCHY RAILROAD



- NOTES:
1. LOTS: 007-031-001 & 700
 2. LEGAL DESCRIPTIONS: PORTION LOT 9 PER R/S 45-170 & DOC#2021003196
 3. PART 1 IS PORTION C-1
 4. CUP APPLICATION IS FOR
 - A. ADD STORAGE ON C-1
 - B. OUTDOOR STORAGE ON C-1
 - C. OUTDOOR STORAGE OF MATERIALS AND EQUIPMENT ON C-1
 5. APPLICATIONS: 007-21-005

- PHASE 1**
1. CUT AND FILL 1700 CY BALANCED
 2. 39000 SF DISTURBED.
 3. 2000 SF BUILDING.
 4. 19000 SF PAVING.
- PROPOSING THAT PORTIONS OF PAVED AREAS UNDER 6% SLOPE BE ALLOWED TO BE COMPACTED CLASS 2 AB.

- PHASE 1 & 2 TOTAL**
1. CUT AND FILL 2700 CY BALANCED
 2. 52000 SF DISTURBED
 3. 9000 SF BUILDINGS
 4. 27700 SF PAVING
 5. PROPOSING THAT PORTIONS OF PAVED AREAS UNDER 6% SLOPE BE ALLOWED TO BE COMPACTED CLASS 2 AB.

1

DPR

David Rajland
ENGINEERING AND LAND SURVEYING
11845 FONDEROSA LN
GROVELAND, CA 95321
TEL: (925) 253-5390
FAX: (925) 253-5390
Email: drajland@earthlink.net

FOR:
LEONARDO CASSARETTO
PO BOX 24
GROVELAND CA 95321
762-7351

PORTION LOT 9 PER R/S 45-170 & DOC#2021003196
A.P.N. 007-031-001
CUP 21-005

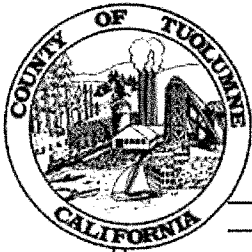
11845 FONDEROSA LN
GROVELAND, CA 95321

NO.	DATE	DESCRIPTION

1" = 40' hor

Date: 09/28/21





COMMUNITY DEVELOPMENT DEPARTMENT

Quincy Yaley, AICP
Director

Land Use and Natural Resources – Housing and Community Programs – Environmental Health – Building and Safety – Code Compliance

Date: December 17, 2021
To: Interested Stakeholder
From: Tuolumne County Community Development Department
RE: Site Development Permit SDP21-009
Assessor's Parcel Numbers: 007-072-001

48 Yaley Avenue, Sonora
Mailing: 2 S. Green Street
Sonora, CA 95370
(209) 533-5633
(209) 533-5616 (Fax)
(209) 533-5909 (Fax – EHD)
www.tuolumnecounty.ca.gov

The Community Development Department thanks you for your participation in the land development process in Tuolumne County. We value your comments and look forward to your continued participation in our planning process. This process provides information on your requirements and concerns to the applicant early in the review process. Involvement on your part can eliminate or minimize problems that could arise later.

Applicant: Rivian Automotive, LLC

Project: The Community Development Department (CDD) has received an application for the following:

Site Development Permit SDP21-009 to allow the development of an Electric Vehicle Charging facility with restrooms, indoor and outdoor seating area, and self-serve vending machines on a 0.12± acre parcel zoned C-1 (General Commercial) under Title 17 of the Tuolumne County Ordinance Code.

Location: The project site is located at 18707 and 18711 State Highway 120, southeast of the intersection of State Highway 120 and Powder House Road in the community of Groveland. Within a portion of Section 21, Township 1 South, Range 16 East, Mount Diablo Baseline and Meridian. Within Supervisorial District 4. Assessor's Parcel Number 007-072-001.

Access: State Highway 120

Sewage Disposal Method: Groveland Community Services District

Water Source: Groveland Community Services District

Fire Hazard Rating: Very High fire hazard severity zone

Additional Information:

1. The project site was originally developed as a gas station. The facility would utilize the existing footprint of the building. The building will be modified to include the restrooms, indoor seating area, and vending machines.
2. The site will be accessed via Powder House Road and State Highway 120. There will be five standard parking spaces with charging, two ADA compliant parking spaces with charging, and one charging area for a trailer.

Please return your comments to the CDD by **January 7, 2021**. Comments may be submitted via mail to the address listed above, emailed to the staff contact listed below, or dropped off at the CDD.

Staff Contact: Natalie Rizzi
Phone: (209) 533-5936
Email: nrizzi@co.tuolumne.ca.us

AGENCY: Groveland Community Services District

COMMENTS: The Groveland Community Services District provides water, sewer, fire and park services to the project subject to the Conditional Use Permit CDP21-009, located at 18707 and 18700 Hwy 120. The project shall comply with GCSD rules, regulations, policies and ordinances related to these services. An application for water and/or sewer service is required if the project is to contain plumbing fixtures and no connections shall be made for water or sewer service from adjacent properties pursuant to District ordinances. Deposit and construction agreements with the District are required should the project require the extension of water or sewer service or for fire hydran(s).

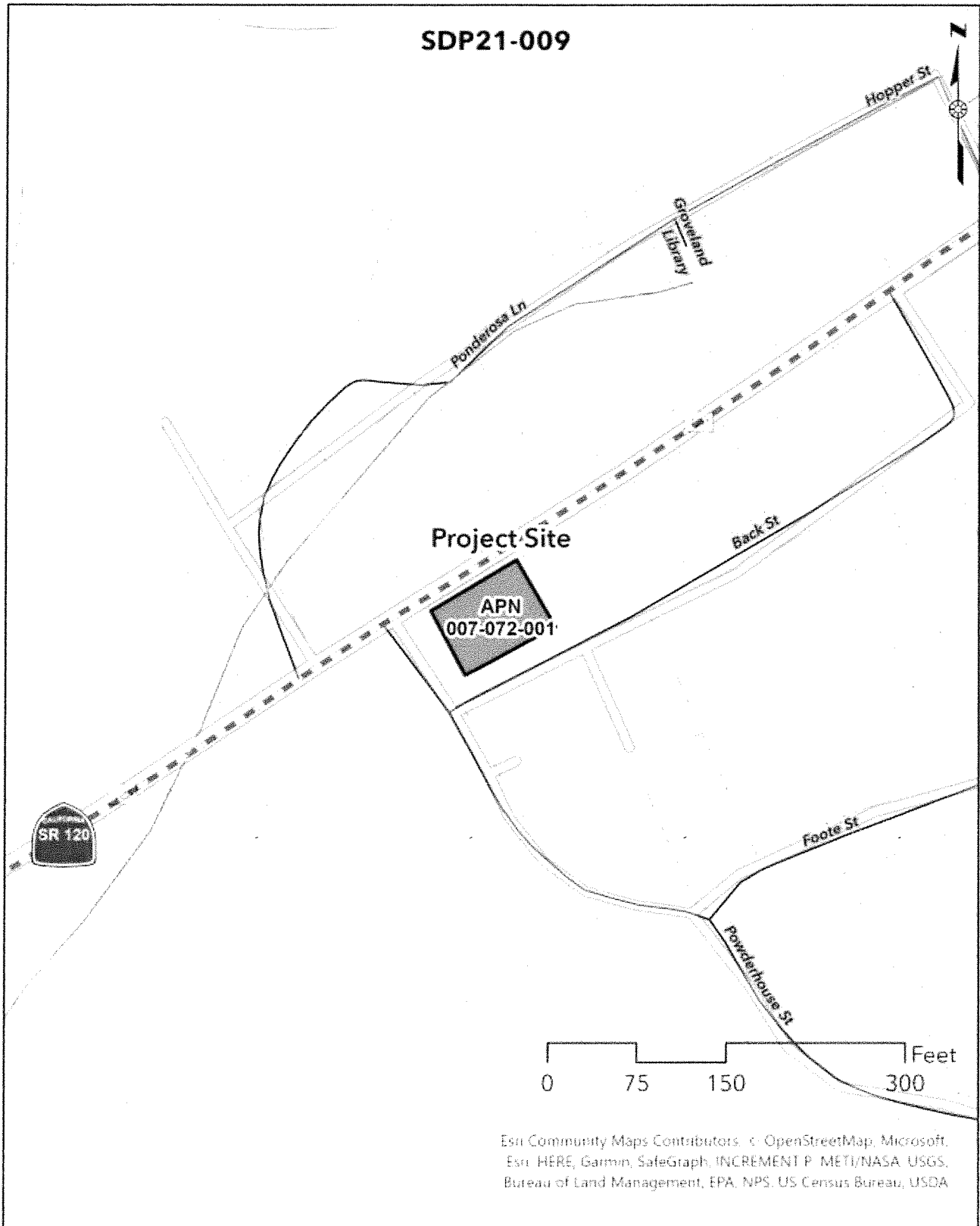
All property owners within 300 feet of the proposed project and agencies/organizations will be notified of future public hearings. Property owners do not need to request future notification. Please note that all comments that are submitted are part of the public record for the project.

Signed by: Rachel Pearlman

Agency: Groveland Community Services District

Date: January 7, 2022

Vicinity Map



Plan

CHARGING

- (1) DCFC trailer stall
- (2) ADA DCFC stalls
- (5) DCFC w/ Solar Canopy

TRAILHEAD

- Covered Outdoor Seating
- Educational Displays

AMENITIES

- Vending (F&B & Gear)
- Indoor Lounge
- Restrooms
- Operations Rooms

LANDSCAPE

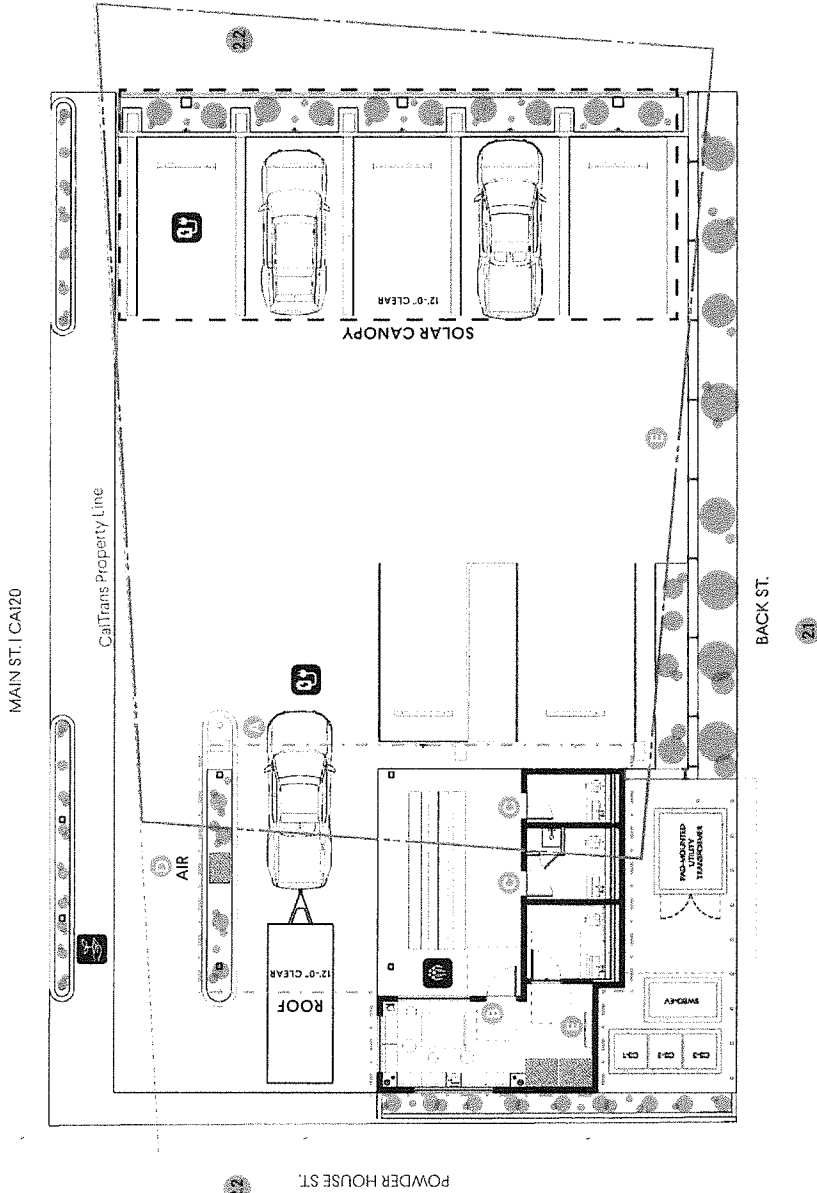
- Native Plants

Key Notes

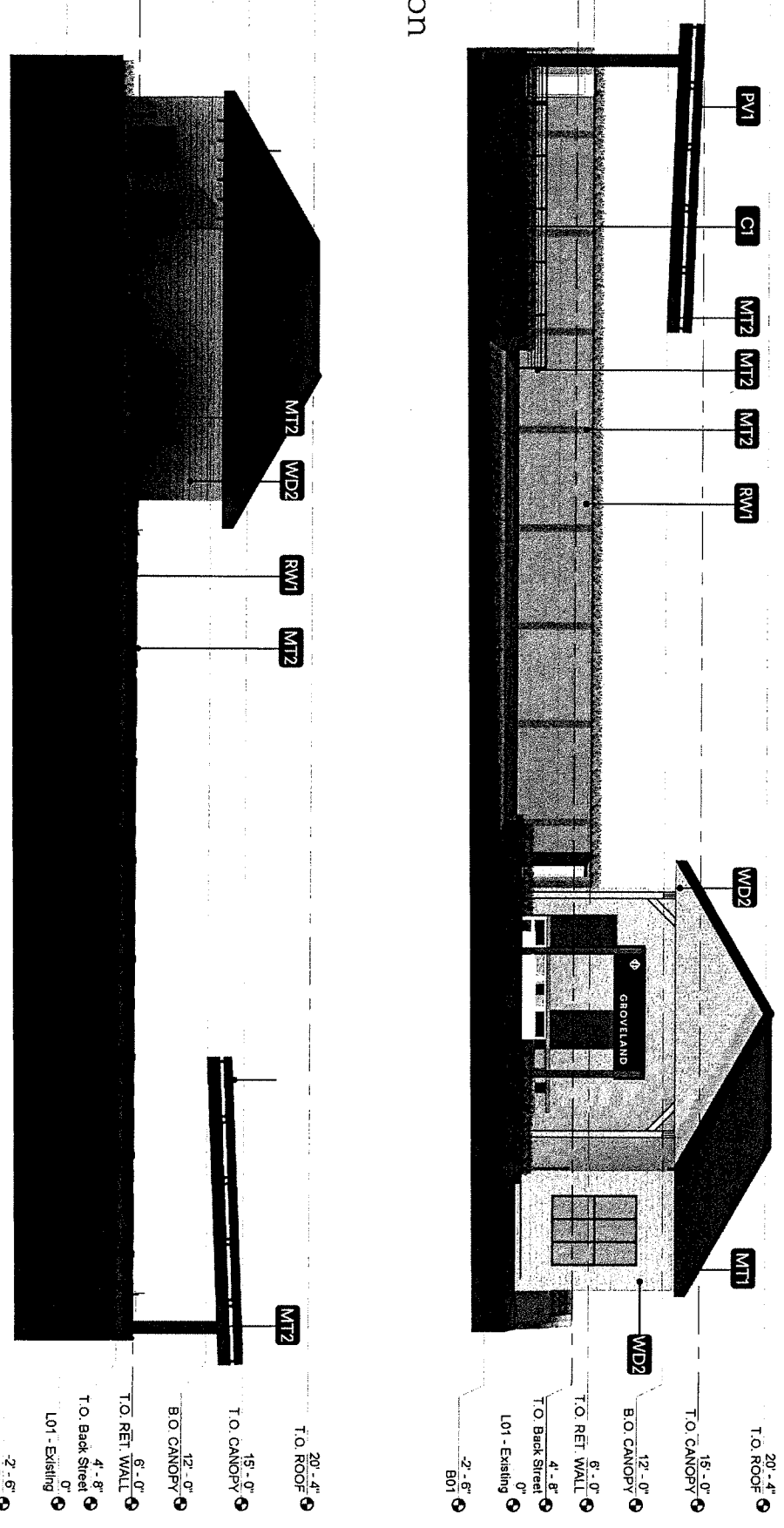
- ① Lift roof so that the drive aisle clears 12'-0"
 - Reinforce roof with New Ivl Wood
- ② 24hr access secure lounge
- ③ 24hr code access restrooms
- ④ Air / Window Wash Station
- ⑤ Informational Displays

Site Plan Legend

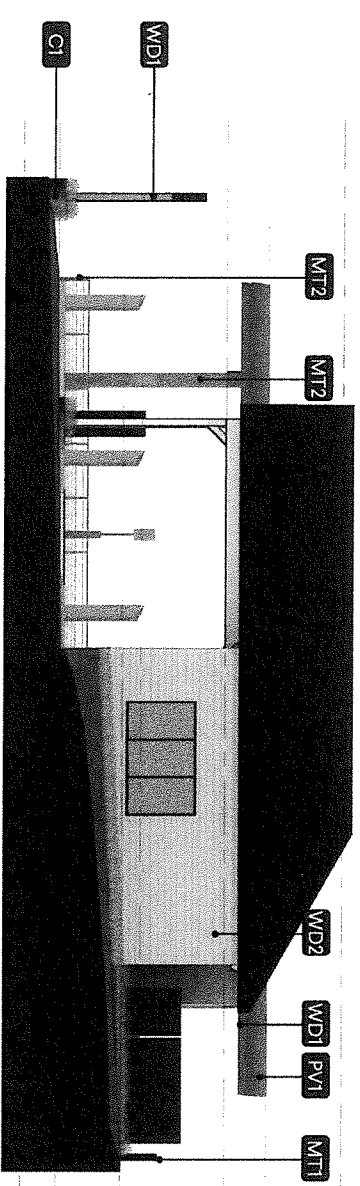
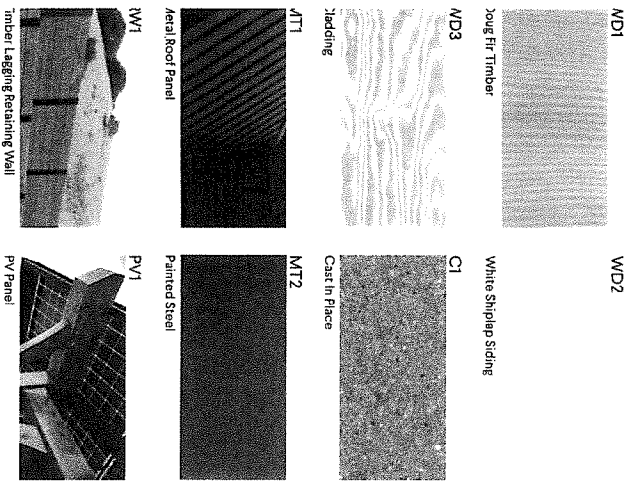
- ① north elevation
- ② south elevation
- ③ east elevation
- ④ west elevation



North Elevation

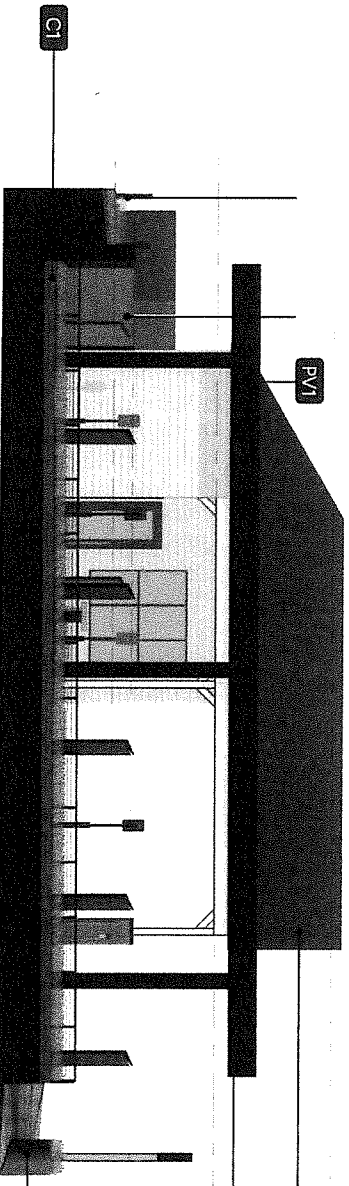


South Elevation



West Elevation

- 20'-4" T.O. ROOF
- 15'-0" T.O. CANOPY
- 12'-0" B.O. CANOPY
- 6'-0" T.O. RET. WALL
- 4'-8" T.O. Back Street
- 0" L01 - Existing
- 2'-6" B01



East Elevation

- 20'-4" T.O. ROOF
- 15'-0" T.O. CANOPY
- 12'-0" B.O. CANOPY
- 6'-0" T.O. RET. WALL
- 4'-8" T.O. Back Street
- 0" L01 - Existing
- 2'-6" B01



Operations Report

Month of Review: December 2021

Information Provided by:

- Luis Melchor, Operations Manager
- Greg Dunn, Chief Plant Operator
- Renee Van Dyk, Administrative Services Technician
- Adam Ahlswede, Operation Supervisor

Wastewater Treatment Plant Flows

Influent Totals From: December 2021

Total	3.83 MG
High	.32 MG
Low	.06 MG
Average	0.12 MG

Effluent Totals From: Plant: December 2021

Total	
High	
Low	
Average	

Rainfall Totals at the Sewer Treatment Plant Month of December 2021

Year	Total Rainfall-inches
2021	12.47 (High 2.50)
2020	3.41 (High 0.82)
2019	10.02 (High 3.73)
2018	2.27 (High 0.93)
2017	0.40 (High 0.22)
Current Season Total	19.8

Wasting Totals

Total Inches	253
Total Pounds	4852

Reclamation Totals

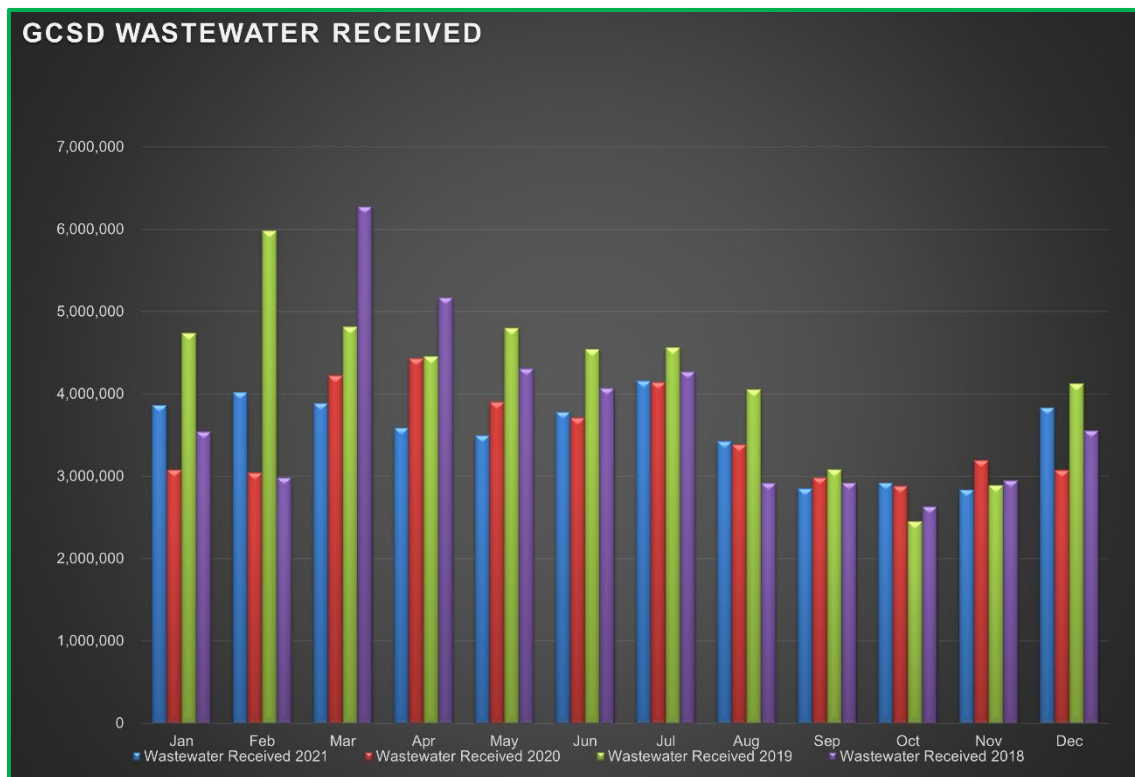
PML	0
Spray Fields	0
PML Season Total	0
Spray Fields Total	0

Active Sewer Accounts: 1562

Activities at the Wastewater Treatment Plant

- Took weekly Bac-Ts and BOD of the Chlorine Contact Chamber (CCC) and sent into Aqua Lab for testing
- Completed monthly Wastewater Report and sent to the State Water Resources Control Board
- Completed daily rounds and Lab

Current and Past Monthly Influent Totals



Wastewater Collections Department

- Completed all Preventative Maintenance Check Sheets (PMCS) at all Lift Stations (weekly)
 - Added degreaser and odor control as needed
- Chemical flushed gravity sewer lines throughout the District for system maintenance
- Inspected and flushed problem manhole

- Replaced service breaker at Lift Station 10
- Completed Manhole inspections for Bass Pond, Twin Pines Easement, Lift Station 15 and Park to STP.
- Uncovered paved manholes on Upper Skyridge
- CCTV sewer line to locate missing MH on Lower Skyridge to Pine Mt. Drive
- SSO Behind Skate Park



Left: MH spilling upon arrival
Right: Staff starting cleanup after flow was stopped



Left: Spill entering Creek
Right: Debris/logs damming creek slowing flow, this gave staff a spot to pump out contaminated creek water



Left: Below debris/logs in creek
Right: Creek below spill

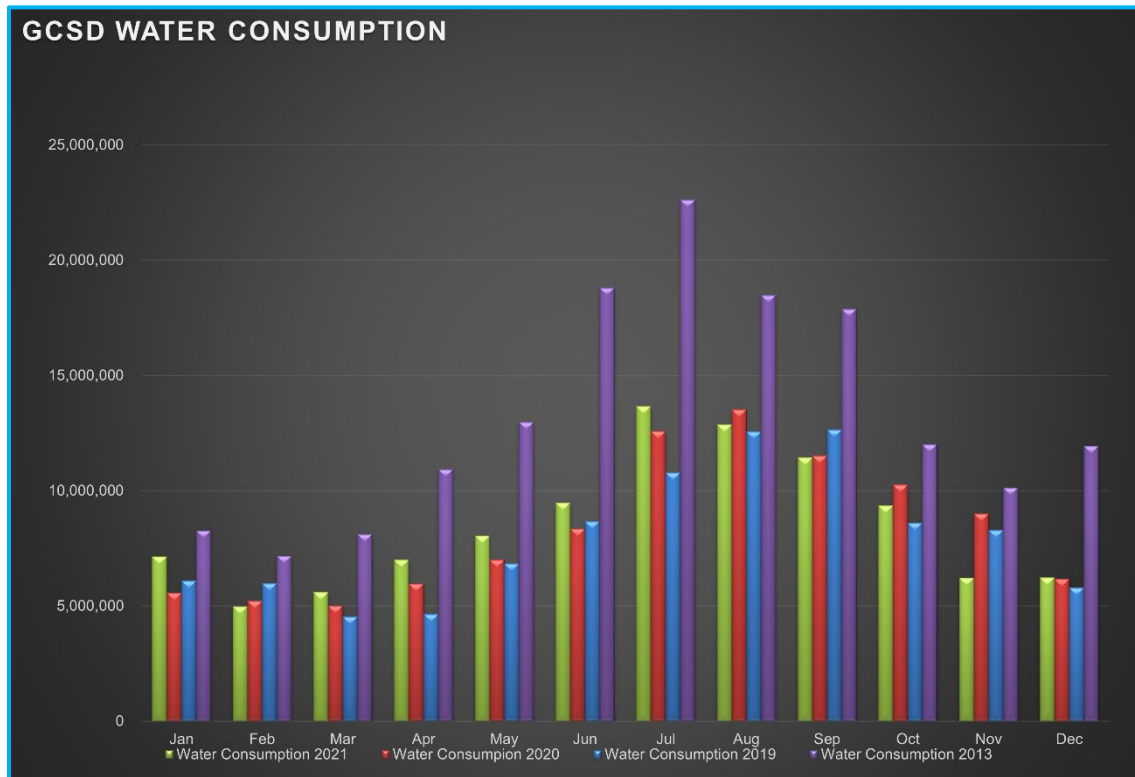


Left: El Dorado had 2 truck onsite assisting in cleanup and pumping out creek
Right: grease found in line during hydro flushing/cleaning of main line, this section of main is scheduled to be replaced during the upcoming sewer project

Treated Water Department

- Submitted monthly Water Treatment Report to State Water Resources Control Board
- Submitted monthly Conservation Report to State Water Boards
- Performed weekly checks and calibrations on all analyzers at 2G, BC, and AWS
- Performed monthly UV calibrations at 2G and BC
- Took weekly Treatment Plant samples and sent into Aqua Lab

Current and Past Monthly Water Consumption



Distribution Department

- Monitored/sample Distribution Tank as needed
- Read all District Water Meters
- Normal day to day: Trouble calls (low press/high press, no water, shut off for repairs etc.)
- Completed weekly checks on Tank 4, Highlands Pump stations (Building, Pneumatic Tank, Pumps and MCC Cabinet)
- Responded and marked multiple USA throughout the District
- Changed out broken meter on Otter Ct
- Cleaned around hydrants in unites 1,2,3,4,5,6,7,8,11,12 and 13
- Flushed 10 Dead ends
- Repaired service line leak, manifold blew off; on Buttercup

Meter Related Services	Total
Check/repair meter	2
Install water meter	0
Monthly Meter Restrictions	0
Meter change outs	0
Read tenant out	2
Re-Read	7
Turn off meter	2
Turn on meter	2
Test meter	1
Total Distribution Issues	16

Billed Consumption 2021		Gallons
Residential		6,226,991
Commercial		413,648
Billed Consumption 2020		Gallons
Residential		5,789,741
Commercial		364,534

Active Water Accounts:3257

Construction and Maintenance

Description	Water	Sewer
Main line leaks	0	1
Main line break	0	0
Service leaks	0	0
Service breaks	1	0
Fire Hydrant replaced/repared	0	0
Totals Per Service	1	1

Maintenance

- General yard maintenance around the District amenities (mow, weed eat, trash, debris removal, limb trees ETC)
- Cleaned around dumpster area and hauled cardboard to Moore Brothers
- Continuous Corp yard cleanup
- Greased booster pumps at Big Creek Treatment Plant
- Serviced chlorine injection pump at Big Creek Treatment Plant
- Repaired broken waste discharge line at AWS
- Removed down tree on the Basketball Ct at the lower park
- Removed down tree from Dog Park
- Tighten lose exhaust flange on Tank 4 standby generator
- Balanced voltage output with line voltage on LS 7 standby generator
- Finished rebuilding mower deck
- Serviced, replaced all filters, cleaned engine and undercarriage on Case Backhoe
- Repaired leaking rear tire on old case backhoe
- Reprogramed all generator "Run Too Long" alarms

- Replaced air compressor governor on Engine 787
- Replaced lights on Engine 781
- Installed new bumper vise and replaced marker lights on Truck 15
- Repaired snowplow electrical issue on Truck 10
- Plowed snow
- Burned brush piles
- Cleaned and organized Tool Room

Projects/Contract Work

- GIS for Manholes
 - Bass Pond
 - Twin Pines Easement
 - LS 15
 - Park to STP
- Industrial Electrical Company
 - Load bank testing for Lift Station 5, STP, AWS and Dunn Ct standby generators
 - Repaired LS 5 standby generator

After Hour Calls

- Staff had 12 after hour calls: 7 Water; 4 Sewer; 0 Park; Other 1; all resolved

Workplace Safety and Training

Weekly Safety Meetings and Training

- Daily Tailgate Meetings
- Weekly Safety Meetings
- Weekly Security Checks
- Weekly Vehicle Inspection

The background of the image is a dark, starry night sky. In the foreground, there are silhouettes of trees, likely a forest, with their branches reaching upwards. The stars are scattered across the sky, some appearing as bright points of light and others as smaller, fainter specks. The overall mood is serene and contemplative.

Groveland Community Services District

2021 Year in Review

RESILIENCE THROUGH PERSEVERANCE

A low-angle, upward-looking photograph of a forest of bare trees against a dark blue, starry night sky. The trees are silhouetted against the bright, star-filled background, creating a sense of height and reaching towards the stars. The overall mood is serene and celebratory.

Groveland Community Services District
Staff & Board Anniversaries

GCSD Employee Anniversaries



Pete Kampa
General Manager
2 Years at GCSD



Luis Melchor
Operations Manager
14 Years at GCSD



Zachary Pacheco
Collections &
Distribution System
Operator I
1 Years at GCSD



Shane Sawyer
Collections & Distribution
System Operator
1 Year at GCSD



Nathan Moffitt
General Manager
2 Years at GCSD



Jennifer Flores
Administrative
Services Manager
10 Years at GCSD



Rachel Pearlman
Administrative
Services Tech II
4 Years at GCSD



Debra Percoco
Accountant
11 Years at GCSD



Greg Dunn
Chief Plant Operator
6 Years at GCSD



Meghan Orsetti
Administrative
Services Tech I
2 Years at GCSD



Steve Buie
Water & Wastewater
Treatment Operator I
1 Year at GCSD



Al Deshaies
Collections & Distribution
System Operator I
2 Years at GCSD



Matthew Dickens
Maintenance
Mechanic III
14 Years at GCSD



Renee Van Dyk
Administrative
Services Tech II
2 Years at GCSD



Anthony Trujillo
Water & Wastewater
Treatment Operator II
12 Years at GCSD



Anthony Filippi
Water & Wastewater
Treatment Operator I
3 Years at GCSD



Adam Ahlswede
Operations
Supervisor
1 Year at GCSD



Travis Deutsch
Maintenance
Mechanic I
1 Years at GCSD



Andrew Marshall
Collections & Distribution
System Operator II
3 Years at GCSD

GCSD NEW HIRES- Welcome to the Team!!



Steve Rogers
IT Systems Manager
Hired: April 12, 2021



Andrew Klein
Collections & Distribution
System Operator III
Hired: June 14, 2021

GCSD Board of Directors



Janice Kwiatkowski
Board President

Thank you for your
4 years of service!



Robert Swan
Director

Thank you for your
8 years of service!



Nancy Mora
Vice President

Thank you for your
3 years of service!

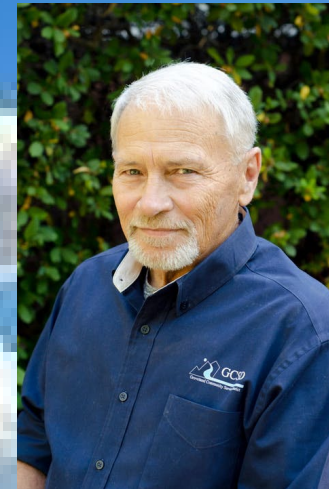
Thank you for
your 11 years of
service!



John Armstrong
Director



Rachel Pearlman
Board Secretary



Spencer Edwards
Director

Thank you for
your 4 years of
service!

A night sky with the Milky Way galaxy visible on the left side, transitioning from a deep purple to a bright orange glow near the horizon. The foreground shows the dark silhouette of a mountain range.

GCSD Community Activities &
Public Outreach

NOW SHOWING

GCS&D Movies In The Park

MOVIES IN THE PARK

2021 Summer Movie Series Presented
by GCS&D!

Where: Mary Laveroni Park at Dusk



June 11th



June 25th



July 9th



July 23rd



August 6th



August 20th



September 3rd



September 17th

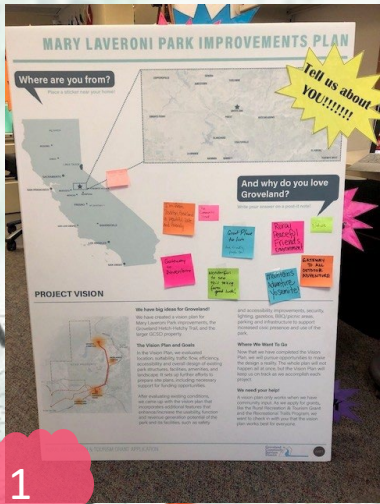


October 1st



ADULTS ONLY

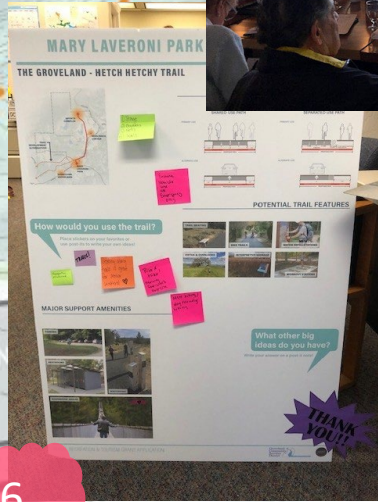
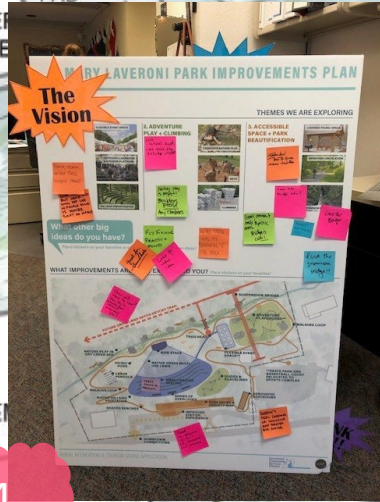
GCSD Park Amenities Study– Public Outreach



Tell us your big ideas for **GROVELAND PARKS!**

Stop by **Around the Horn Brewing** to give us your input on **November 20th 11:00 AM - 7:00 PM**

RURAL RECREATION & TOURISM GRANT

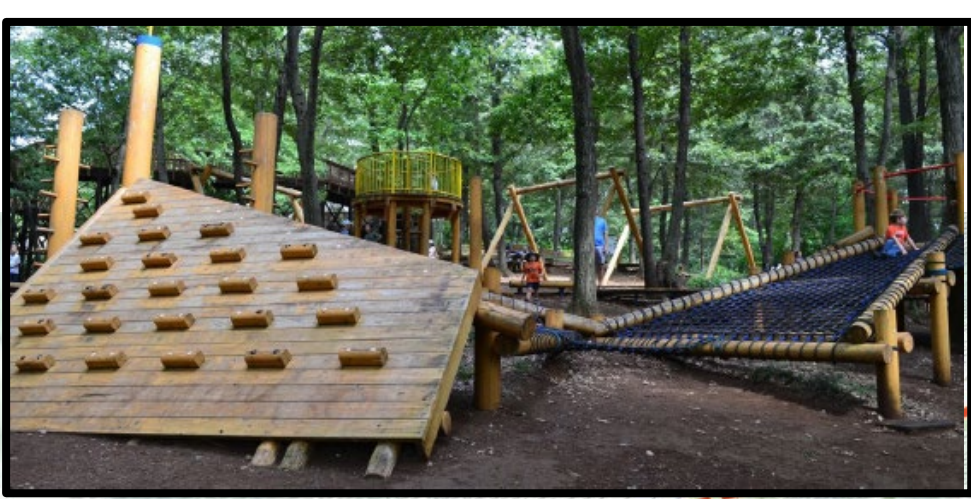




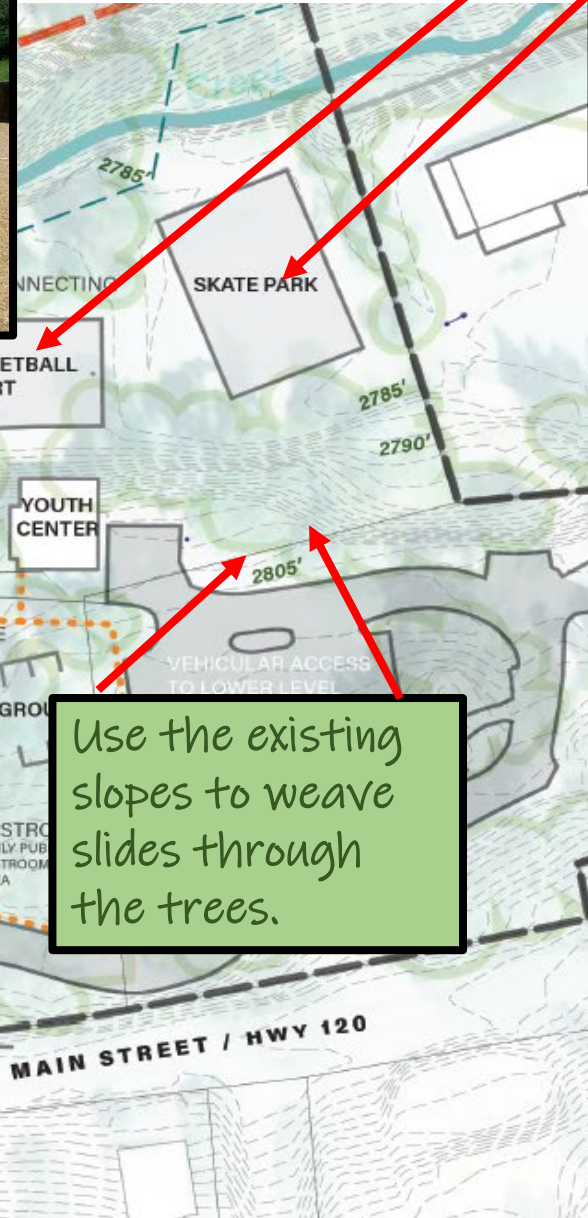
Project Goals



- Develop a complementary experience to Yosemite- Groveland is the "Gateway to Yosemite"
- Incorporating new features in the park that enhance and increase the usability, function and revenue generation potential of the park.
- Safety and accessibility improvements such as lighting, and improved pathways connecting park features
- Additional BBQ/picnic areas and infrastructure to support public movies, concerts, and similar events.
- Utilize native and drought tolerant plant life throughout the park



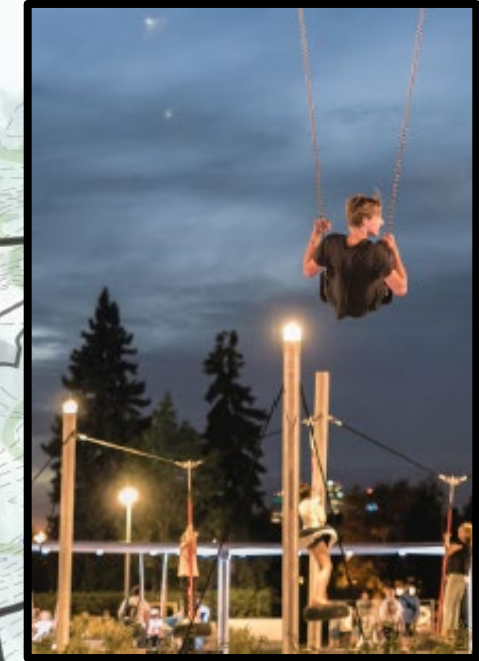
Adventure play, bouldering, swings, and climbing structures, in place of the existing skate park and basketball court.



Shaded bench areas throughout



Use the existing slopes to weave slides through the trees.



Incorporate a large pergola in the "Lower Park"

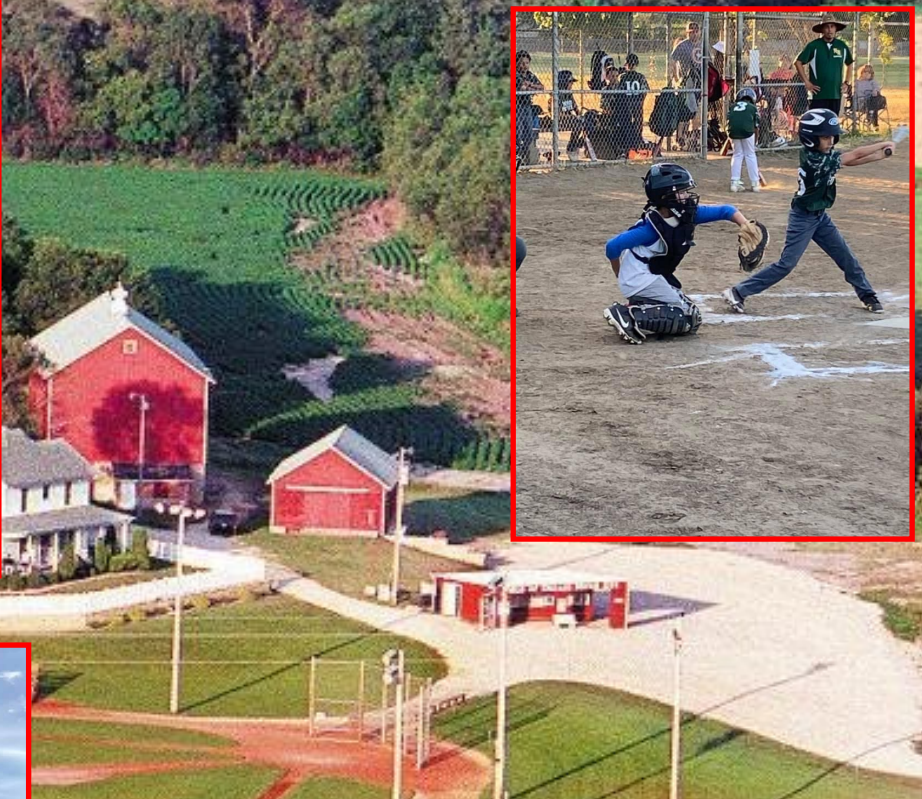


Trunk or Treat



GCSD Staff set up a Trunk or Treat booth to further public engagement regarding the Mary Laveroni Park Amenities Study.

Leon Rose Ballpark The Field of Dreams!



GCSD entered into a Maintenance Agreement with Groveland Outdoor Zone to rehabilitate Leon Rose Ballpark



District Projects

Emergency Power Generator Replacements

A large, industrial-grade emergency power generator unit, primarily yellow with black accents and a prominent 'CAT' logo on the side. The unit is mounted on a black base and features various vents, panels, and a control area. The background is plain white.

Many of the Districts generators have been in service since the 1970's. These generators are beyond their reasonable, serviceable life.

The District received grant funding for the new generators!

The District operates over 23 emergency power supply generators. These generators power water pump stations, sewer lift stations, the fire department, admin office, water treatment plant and wastewater treatment plant during power outages.

All of the generators have been ordered. The new generators are expected to be installed by summer 2022.

Clearwell Rehab Project Continues...



The Clearwell Rehabilitation Project began in late 2020. The "before" photo was taken during the early stages of the project. The "after" photo was taken on 12/15/2021. This project is expected to be completed March 2022.

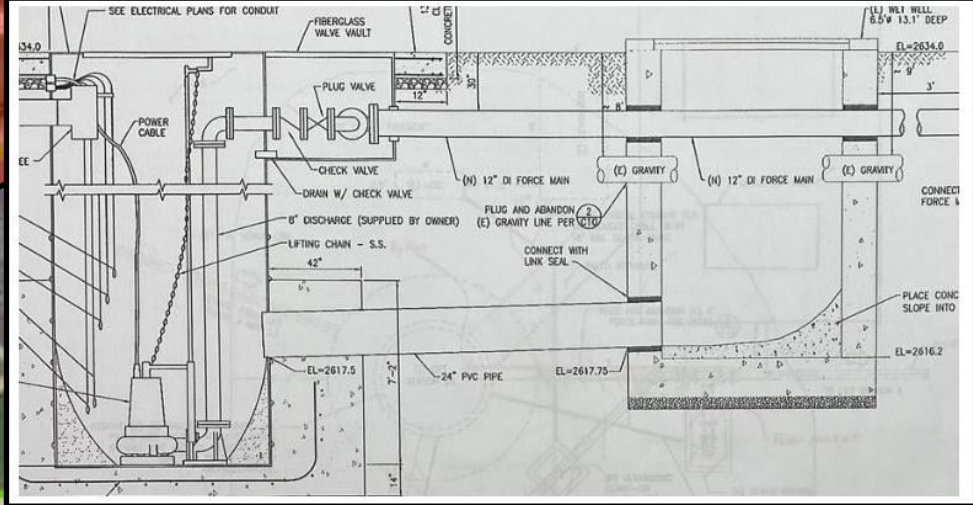
Sewer Collections System Replacement Project

The District secured \$1.4 Million in Low Interest Loan, and \$4.4 Million in Planning & Construction Grants for this project

This project will replace or rehabilitate 11,500 linear feet (2.18 Miles) of existing sewer main. 19 new manholes will be installed, along with resurfacing and rehabilitating 46 existing manholes.



Sewer Line Infrastructure Upgrades



Lift Stations will be upgraded with smooth, sloped concrete floors to reduce standing solids.



Wastewater Treatment Plant Improvement Project- Phase 1

Phase 1 Improvements will consist of:

- Gravel road restoration
- Culvert installation
- Concrete slab
- Drainage improvements

Phase 1 is expected to be completed Spring 2022.

Wastewater Treatment Plant Improvement Project- Phase 2

Phase 2 is expected to be completed late Summer 2022.

Phase 2 Improvements will consist of:

- Replacing the WWTP headworks screen & solids handling equipment
- Installation of new headworks monitoring & flow control equipment
- Replacing and upgrading portions of the recycled water irrigation system
- Renovation & standardization of lift station No. 2

Sewer Odor Action Plan



Installation of new enclosed solids removal and packaging system.



The District will be pilot testing air scrubbers at problematic Lift Stations.



The District ordered a new vacuum truck to aid in sewer cleaning.



Rehabilitating 46 existing manholes- These manholes will be coated with a smooth coating, so solids and debris don't stick to the interior.

**REGULAR MEETING OF THE BOARD OF
DIRECTORS GROVELAND COMMUNITY SERVICES
DISTRICT GROVELAND, CALIFORNIA
December 14, 2021
10:00 a.m.**

The Board of Directors of Groveland Community Services District met in regular session on the above mentioned date with Directors Janice Kwiatkowski, President, Nancy Mora, Vice President, John Armstrong, Robert Swan, and Spencer Edwards being present. Also present was Administrative Services Manager Jennifer Flores, Board Secretary Rachel Pearlman, Operations Manager Luis Melchor, and General Manager Pete Kampa.

Call to Order

Director Kwiatkowski called the meeting to order at 10:00am.

Approve Order of Agenda

Motion

Director Swan moved, seconded by Director Armstrong, and the motion passed unanimously by roll call to approve the order of the agenda with the exception of moving Item 6G to the top of the Discussion and Action items.

Public Comment

A member of the public made a comment protesting the meeting time and location due to the snow, weather, and lack of internet for constituents.

A member of the public made a comment to thank the board for moving the order of agenda.

Information Items

Brief reports may be provided by District staff and/or Board members as information on matters of general interest. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future agenda. Public comments will be taken after each report is provided.

Staff Reports

Fire Department Report
General Manager's Verbal Report
Operations Manager's Report
Administrative Services Manager's Report

Proclamations

Recognition of Anthony Trujillo for his 12 Years of Service to the Groveland Community Services District
Recognition of Steve Buie for his 2 Years of Service to the Groveland Community Services District

Consent Calendar

Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the Board, Staff or a member of the Public requests specific items be set aside for separate discussion.

Approve Minutes from the November 8, 2021 Special Meeting

Approve Minutes from the November 9, 2021 Regular Meeting

Approve Minutes from the November 15, 2021 Special Meeting

Approve Minutes from the November 30, 2021 Special Meeting

Approve Minutes from the December 1, 2021 Special Meeting

Accept November 2021 Payables

Adoption of a Resolution Proclaiming a Local Emergency Persists, Ratifying the Proclamation of a State of Emergency by Governor's Executive Order N-25-20 and Order N-29-20, and Re-Authorizing Remote Teleconference Meetings of the Legislative Body of the Groveland Community Services District for the Period of December 14, 2021, through January 11, 2022 Pursuant to Brown Act Provisions

Waive Reading of Ordinances and Resolutions Except by Title

Motion

Director Armstrong moved, seconded by Director Edwards and the motion passed unanimously by roll call to approve the consent calendar.

Old Business

(Items tabled or carried forward from a previous meeting to be considered on this agenda. The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action).

None.

Discussion and Action Items

The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.

Consideration of the Actions Necessary for the Rescission of the Community Facilities District 2021-1 Future Annexation Area as Established in District Resolution 18-2021, Resolution 22-2021 and Special Tax Ordinance 2021-1

Motion

Director Armstrong moved, seconded by Director Kwiatkowski and the motion passed unanimously by roll call to move to direct staff to draft a resolution for Board approval rescinding the following Board actions and directing the drafting of the following policy actions:

1. *Rescind Resolution 18-2021, Declaring the District's Intention to Establish a Community Facilities District Initially Consisting of Solely of Territory Proposed for Annexation to the Community Facilities District in the Future and to authorize the levy of special taxes therein – Community Facilities District 2021-1*
2. *Rescind Resolution 22-2021, establishing the formation of Community Facilities District 2021-1*
3. *Rescind Ordinance No. 1-21, an ordinance authorizing the levy of special taxes on parcels that will annex to Community Facilities District 2021-1*
4. *Rescind Resolution 25-2021, establishing the definition of the types of projects to which the Community Facilities District 2021-1 will apply*

5. *Direct the drafting of a Resolution amending the District's Local Rules and Policies for Community Facilities Districts and new development policies as necessary to amplify and clarify the District's requirement that all new land subdivisions and large commercial developments in the District must fund their actual cost of fire and park services as detailed in the Fiscal Impact Analysis, as amended*
6. *Direct the drafting of a Resolution declaring the intent of the District to seek a memorandum of understanding with Tuolumne County regarding the standards of fire/emergency response coverage desired locally for the Hwy 120 Corridor, County agreement to fund the cost associated with adding fire personnel and equipment to respond to emergency calls outside of the mutual aid response area, agreement on the location and number of fire stations and other related matters to ensure that fire and emergency services can be provided in accordance with the locally adopted coverage and response standards*

Consideration of Approval of an Aviation Mural to be Painted on the Water Tank Located at the Pine Mountain Lake Airport, With Cost will be Covered by Pilots and Residents of Pine Mountain Lake

Motion

Director Kwiatkowski moved, seconded by Director Armstrong, and the motion passed unanimously by roll call to approve Resolution 36-2021 adopting the 2020 Water Shortage Contingency Plan.

Adoption of a Resolution Approving the Application for Recreational Trails Program (RTP) Non - Motorized Grant Funds for the Hetch Hetchy Railroad Trail, Phase One and Restroom Facility at Mary Laveroni Park

Motion

Director Armstrong moved, seconded by Director Edwards and the motion passed unanimously by roll call to adopt Resolution 42-2021 approving the Application for Recreational Trails Program (RTP) Non -Motorized Grant Funds for the Hetch Hetchy Railroad Trail, Phase One and Restroom Facility at Mary Laveroni Park.

Adoption of a Resolution Approving Application for the Clean California Local Grant Program for Litter Abatement, Land beautification, and Improved Parks and Pathways

Motion

Director Armstrong moved, seconded by Director Edwards and the motion passed unanimously by roll call to approve Resolution 43-2021, A Resolution Approving Application for the Clean California Local Grant Program for Litter Abatement, Land beautification, and Improve Parks and Pathway.

Adoption of a Resolution Approving Application for the American Rescue Plan Act Travel, Tourism, and Outdoor Recreation Funding for Trail Infrastructure and Public Access Enhancements

Motion

Director Armstrong moved, seconded by Director Edwards and the motion passed unanimously by roll call to adopt Resolution 44-2021 approving Application for the American Rescue Plan Act Travel, Tourism, and Outdoor Recreation Funding for Trail Infrastructure and Public Access Enhancements.

Adoption of a Resolution Approving Application for the California Hazard Mitigation Grant Program to Reduce Fire Fuels on 37 Acres of District Property

Motion

Director Armstrong moved, seconded by Director Edwards and the motion passed unanimously by roll call to approve Resolution 45-2021, A Resolution Approving Application for the California Hazard Mitigation Grant Program to Reduce Fire Fuels on 37 Acres of District Property.

Adoption of a Resolution Approving Application for the Tuolumne County Community Grant Program for the Purchase of an Equipment Trailer, Unmanned Aircraft System (UAS) and Portable Generator for the Groveland Area Community Emergency Response Team (CERT)

Motion

Director Armstrong moved, seconded by Director Edwards and the motion passed unanimously by roll call to approve Resolution 46-2021, A Resolution Approving Application for the Tuolumne County Community Grant Program for the Purchase of an Equipment Trailer, Unmanned Aircraft System (UAS) and Portable Generator for the Groveland Area Community Emergency Response Team (CERT).

Adjournment

Meeting adjourned at 12:25pm.

APPROVED:

Janice Kwiatkowski, President

ATTEST:

Rachel Pearlman, Board Secretary

**WASTEWATER FUNDING COMMITTEE MEETING
OF THE BOARD OF DIRECTORS GROVELAND
COMMUNITY SERVICES DISTRICT GROVELAND,
CALIFORNIA
JANUARY 6, 2022
10:00 a.m.**

The Board of Directors of Groveland Community Services District met in a committee session on the above mentioned date with Directors Robert Swan, and Spencer Edwards. Also present was Administrative Services Manager Jennifer Flores, Board Secretary Rachel Pearlman, Operations Manager Luis Melchor, and General Manager Pete Kampa.

Call to Order

Director Swan called the meeting to order at 10:00am.

Committee Members

Director Edwards
Director Swan

Public Comment

Members of the public are appreciated for taking the time to attend this meeting and provide comments on matters of District business. Public comments are subject to a 3-minute time limit; 10 minutes on an individual topic. Although no action can be taken on items not listed on the agenda, please know we are listening carefully to your comments.

Several members from the public made comments regarding the proposed Wastewater Funding project related to the Wastewater Treatment Plant and the Septic to Sewer project.

Discussion and Action Items

The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.

Discussion Regarding Multiple Grant Funding Opportunities Immediately Available From State and Federal Sources for Wastewater Treatment Plant Upgrades and Installation of Public Sewer in Areas Currently Served by Private Septic Systems

Motion

Informational item only, no action taken.

Adjournment

Meeting adjourned at 11:09am.

ATTEST:

Rachel Pearlman, Board Secretary

APPROVED:

Janice Kwiatkowski, President



ACCOUNTS PAYABLE CHECK LISTING

December, 2021
Fiscal Year 20/21
Board Approval Date _____

Accounts Payable Checks



User: dpercoco
Printed: 1/5/2022 7:55:03 AM

Check N	Vendor N	Vendor Name	Check Dat	Committe	Description	Amount
21139	AQU01	Aqua Labs	12/30/2021	True	Lab Tests	\$3,830.00
21140	ATT02	AT&T	12/30/2021	True	Monthly Cal Net phone service	\$456.09
21141	ATT03	AT&T	12/30/2021	True	Monthly Internet Uverse	\$26.90
21142	ATTL0	AT&T (Internet)	12/30/2021	True	Monthly Fiber Internet-Admin	\$603.43
21143	CTD01	CTDS Truck Driving School	12/30/2021	True	Full Tuition Program - Class A License for Al Deshaies	\$1,500.00
21144	DEP09	Department of Forestry & Fire Protection	12/30/2021	True	July-September 2021 CalFire Contract	\$214,383.43
21145	DEP04	Dept. Of Pesticide Regulations	12/30/2021	True	Pesticide Renewal for Luis Melchor	\$60.00
21146	Hun02	Hunt & Sons, Inc.	12/30/2021	True	Fuel & Oil	\$6,511.85
21147	JSW02	J.S. West Propane Gas	12/30/2021	True	Propane	\$2,935.32
21148	CUR01	L. N. Curtis & Sons	12/30/2021	True	Crewboss Tactical Pants for RFC Grant	\$3,378.38
21149	Oreil	O'Reilly Auto Parts	12/30/2021	True	November Auto Parts	\$1,124.44
21150	pin04	Pine Alley Saw Shop	12/30/2021	True	Stihl Leaf Blower Repair	\$113.64
21151	Pri04	Principal Life Insurance Company	12/30/2021	True	Monthly Dental, Vision, Life & LTD Insurance	\$4,102.19
21152	Rig01	Right Now Couriers	12/30/2021	True	Monthly Courier Service	\$190.80
21153	Ron01	Roni Lynn	12/30/2021	True	Social Media Management	\$2,600.00
21154	Rus01	Rush Advertising Specialties	12/30/2021	True	Employee Uniforms	\$1,223.36
21155	Sta15	Staples Credit Plan	12/30/2021	True	Office Supplies	\$188.95
21156	SWR02	SWRCB	12/30/2021	True	Luis Melchor Distribution 3 Renewal	\$90.00
21157	Tra03	Tractor Supply Credit Plan	12/30/2021	True	Fuel Tank for LS #4 Generator	\$529.77
21158	TUO12	Tuolumne Utilities Dist	12/30/2021	True	Fats, Oil & Grease Advertising	\$131.05
21159	TWO1	Two Guys Pizza	12/30/2021	True	Meals for Staff During Park Clean Up	\$72.88
21160	Ver02	Verizon Wireless 5298	12/30/2021	True	Monthly Cell Phone	\$912.72
21161	Ver03	Verizon Wireless 7706	12/30/2021	True	Monthly Auto Dialers	\$154.89
115839	OE3	Operating Engineers Local #3	12/22/2021	True	PR Batch 00002.12.2021 Oper Engin Union Dues	\$381.22
902389	CAL09	CalPers 457 Plan Administrator	12/22/2021	True	PR Batch 00002.12.2021 CalPers Def Comp	\$1,000.00
902390	DCSS	Dept of Child Support Services	12/22/2021	True	PR Batch 00002.12.2021 Wage Garnish Child Support	\$205.03
902391	EDD01	EDD - Electronic	12/22/2021	True	PR Batch 00002.12.2021 State Income Tax	\$2,687.69
902392	FedEFTPS	Federal EFTPS	12/22/2021	True	PR Batch 00002.12.2021 Medicare Employer Portion	\$15,018.24
902393	Orion	Orion Portfolio Solutions	12/22/2021	True	PR Batch 00002.12.2021 Orion 457	\$1,805.00
902394	PER01	Pers - Electronic	12/22/2021	True	PR Batch 00002.12.2021 2nd Tier PERS	\$9,250.61
21097	All06	AllStar Fire Equipment, Inc	12/16/2021	True	2 ea. Lion V-Fprce turnouts for RFC Grant	\$6,083.12
21098	am01	AM Consulting Engineers, Inc.	12/16/2021	True	Big Creek Clearwell Engineering fees for November, 2021 (\$35K)	\$56,878.47
21099	UB*02990	Caplette, Jeffrey & Beverly	12/16/2021	True	Refund Check 016862-000, 19435 FERRETTI RD 6/9	\$9.63

Check N	Vendor N	Vendor Name	Check Dat	Committe	Description	Amount
21100	UB*02988	Chin, George	12/16/2021	True	Refund Check 013848-000, 20769 Big Foot Circle 4/320	\$4.07
21102	DIS01	Dish Network	12/16/2021	True	Satellite TV for FD	\$79.57
21103	UB*02992	Dos Santos, Jose	12/16/2021	True	Refund Check 016505-000, 20660 FERRETTI RD 3/15	\$105.36
21104	Du-A01	Du-All Safety, LLC	12/16/2021	True	37.5 Hours Professional Safety Consultation for November 2021	\$5,625.00
21105	EDIS01	E.D.I.S.	12/16/2021	True	Supplemental Health Ins.	\$5,756.54
21106	Far02	Farr Construction	12/16/2021	True	Oct. 21 - Nov. 21 Progress Payment #10 for Big Creek Clearwell	\$245,575.00
21107	FOO01	Foothill-Sierra Pest Control	12/16/2021	True	Pest Control	\$250.00
21108	FP Mail	FP Mailing Solutions	12/16/2021	True	Quarterly Postage Machine Rental	\$286.36
21109	GEN01	General Plumbing Supply	12/16/2021	True	Hydrant install on Ferret ct to replace leaking blow off valve	\$4,062.74
21110	UB*02986	Gupta, Bhuplesh	12/16/2021	True	Refund Check 015967-000, 20749 Buttercup Circle 4/294	\$65.84
21111	HAC01	Hach	12/16/2021	True	Ammonia Monochloramine for WTP	\$1,040.89
21112	UB*02995	Herrick, Maie	12/16/2021	True	Refund Check 009395-001, 12831 Mueller Dr 2/479 & 478	\$2.43
21113	ICAD01	Industrial Control and Design, Inc.	12/16/2021	True	SCADAService work for 8/10,10/23 & 11/3/2021	\$6,964.72
21114	ind04	Industrial Electrical Co.	12/16/2021	True	Crane service to offload 2G generator at GCSD yard.	\$2,215.00
21115	UB*02979	Jacinto, John	12/16/2021	True	Refund Check 012976-000, 13046 MOKELUMNE 2/205	\$60.00
21116	jol01	Jolley, Bryant L.	12/16/2021	True	2020/2021 Financial Statement Audit	\$14,000.00
21117	UB*02993	Larson, Charles & Theresa	12/16/2021	True	Refund Check 013170-000, 19663 BUTLER 8/118 MERG	\$295.99
21118	UB*02987	Martin, Thomas	12/16/2021	True	Refund Check 007752-004, 21095 HEMLOCK ST 12/49	\$34.33
21119	UB*02997	Martin, William	12/16/2021	True	Refund Check 007331-000, 20731 FORESTWOOD 4/402	\$504.33
21120	UB*02989	Mendoza, Jose & Karla	12/16/2021	True	Refund Check 016485-000, 12931 WELLS FARGO 2/446	\$75.89
21121	Pac06	PACE Supply Corp	12/16/2021	True	Plumbing stock for C & D	\$843.52
21122	PGE01	PG&E	12/16/2021	True	Monthly Electric Charges	\$707.84
21123	pml01	PML Hardware & Supply Inc.	12/16/2021	True	Monthly Hardware Supplies	\$304.80
21124	SUE01	Ray Suess Insurance & Invst	12/16/2021	True	Ret. Employees Health Ins for Jan, 2022	\$3,847.26
21125	SFPUC	San Francisco Public Utilities Commission	12/16/2021	True	Monthly Water Purchase	\$10,393.62
21126	UB*02983	Schley, Ron	12/16/2021	True	Refund Check 015809-000, 12024 HILLHURST 8/265	\$55.88
21127	UB*02994	Schlieff, Steven & Kathryn	12/16/2021	True	Refund Check 012549-000, 20252 LWR SKYRDGE 15/70	\$181.87
21128	UB*02996	Sinclair, John	12/16/2021	True	Refund Check 016089-000, 13072 JACKSON MILL 7/75	\$78.91
21129	Sna01	Snap-on Attn: Kyle	12/16/2021	True	Coolant Vacuum/Refill Tool for shop	\$258.47
21130	UB*02991	Spadaro, Anthony & Barbara	12/16/2021	True	Refund Check 012613-000, 19696 FERRETTI 6/225	\$47.16
21131	SWR02	SWRCB	12/16/2021	True	Luis Melchor Wastewater treatment renewal	\$170.00
21132	SWR03	SWRCB	12/16/2021	True	Annual Waste Water Permit Fee 7/1/21-6/30-22	\$27,109.00
21133	Tir02	TireHub, LLC	12/16/2021	True	Tires for Truck #8	\$856.42
21134	ULI01	ULINE, Attn AR	12/16/2021	True	Janitorial Supplies	\$470.23
21135	UMP01	UMPQUA Bank	12/16/2021	True	December Credit Card Purchases	\$5,190.58
21136	ZEE01	Zee Medical Service Co	12/16/2021	True	First Aid Supplies	\$235.30
21137	USD01	USDA-Forest Service	12/16/2021	True	2022 Special Uses Water Trans Pipeline - Land Use Fee	\$76.55
21138	WRT01	Wallace, Robert & Todd	12/16/2021	True	Groveland Park Amenities Study & Plan Through November 28, 2021	\$4,665.50
211010	Con06	Conifer Communications	12/16/2021	True	Internet Service at Plants	\$299.40
21061	BLU01	Anthem Blue Cross	12/8/2021	True	Retired Emp Health Ins.-Doris B.	\$24,662.90
21062	ATTLD	AT&T (Internet)	12/8/2021	True	Monthly Fiber Internet-Admin	\$603.43
21063	CALGON	Calgon Carbon Corporation	12/8/2021	True	Service & Calibration of Calgon Units for Big Creek/2nd Garotte	\$4,200.00
21064	CAR06	Carbon Copy Inc.	12/8/2021	True	Monthly Copier Usage	\$48.69

Check N	Vendor N	Vendor Name	Check Dat	Committe	Description	Amount
21065	Cle03	CleanSmith Solutions	12/8/2021	True	November Disinfection Services	\$1,800.00
21066	Datapro	Dataprose LLC Attn AR	12/8/2021	True	Monthly UB Statement Processing	\$1,897.38
21067	Dept Wtr	Department Of Water Resources	12/8/2021	True	Prin/Interest on Davis/Grunsky Contract D157929	\$3,956.81
21068	Doh01	Doherty Tire of Sonora, Inc.	12/8/2021	True	Dismount/Balance Tires for Truck #8	\$100.00
21069	DRU01	Drugtech Toxicology Services, LLC	12/8/2021	True	Consortium DOT Tests	\$152.00
21070	Fas02	Fastenal	12/8/2021	True	Shop Stock & Janitorial Supplies	\$1,749.13
21071	FOO01	Foothill-Sierra Pest Control	12/8/2021	True	Pest Control	\$160.00
21072	GCS02	GCSO	12/8/2021	True	GCSO Water Bill	\$3,683.82
21073	GEN01	General Plumbing Supply	12/8/2021	True	Pipes, couplings for Water Dist. Stock	\$1,909.43
21074	gilb01	Gilbert Associates, Inc.	12/8/2021	True	Monthly CPA Services	\$3,400.00
21075	GRA04	Grainger	12/8/2021	True	Duct Seal	\$112.95
21076	Hun02	Hunt & Sons, Inc.	12/8/2021	True	Fuel & Oil	\$7,838.20
21077	ind04	Industrial Electrical Co.	12/8/2021	True	Replacement Generator for 2nd Garrote	\$104,311.35
21078	JSW02	J.S. West Propane Gas	12/8/2021	True	Propane	\$845.67
21079	WAL04	Jay C. Wallace Plumbing	12/8/2021	True	Annual Backflow Testing	\$1,435.00
21080	JOR01	Jorgensen Co.	12/8/2021	True	Repair and Calibration of 3 Air Monitors	\$362.69
21081	Mitel	Mitel	12/8/2021	True	District Telephone Service	\$347.84
21082	MOO01	Moore Bros. Scavenger Co., Inc.	12/8/2021	True	Garbage Service & 30 Yd. Debris Box	\$1,097.34
21083	MOT03	Mother Lode Answering Service	12/8/2021	True	Monthly Call Forward/Paging	\$248.61
21084	MOU03	Mountain Oasis Water Systems	12/8/2021	True	Bottled Water	\$116.00
21085	per04	Percoco, Ronald	12/8/2021	True	Janitorial/Uniform cleaning for Nov.	\$2,170.00
21086	pin04	Pine Alley Saw Shop	12/8/2021	True	Small Equipment Fuel Mix	\$56.31
21087	Pin07	Pine Mountain Auto	12/8/2021	True	November Auto Parts	\$852.65
21088	Rig01	Right Now Couriers	12/8/2021	True	Monthly Courier Service	\$143.10
21089	Safety-K	Safety-Kleen Systems, Inc.	12/8/2021	True	Shop Parts Cleaner Service	\$565.15
21090	Sprbrk	Springbrook Holding Co. LLC	12/8/2021	True	Monthly Civic Pay C/C Pmt Fees	\$1,186.80
21091	TUO01	Tuo. Co. Public Power Agency	12/8/2021	True	Public Power Purchase	\$20,624.01
21092	ULI01	ULINE, Attn AR	12/8/2021	True	Folding tables/chairs for Park	\$3,293.58
21093	ups9	UPS	12/8/2021	True	Shipping to Jorgensen Co.	\$11.61
21094	USA03	Usa Blue Book	12/8/2021	True	KPSI Series 705 Submersible PT	\$2,377.44
21095	Ver02	Verizon Wireless 5298	12/8/2021	True	Monthly Cell Phone	\$912.72
21096	Wells	Wells Fargo Vendor Financial Services, LLC	12/8/2021	True	Monthly Lease on Admin Copier	\$359.28
115838	OE3	Operating Engineers Local #3	12/7/2021	True	PR Batch 00001.12.2021 Oper Engin Union Dues PR	\$381.22
902383	CAL09	CalPers 457 Plan Administrator	12/7/2021	True	Batch 00001.12.2021 CalPers Def Comp	\$1,000.00
902384	DCSS	Dept of Child Support Services	12/7/2021	True	PR Batch 00001.12.2021 Wage Garnish Child Support	\$205.03
902385	EDD01	EDD - Electronic	12/7/2021	True	PR Batch 00001.12.2021 SDI - Employee	\$2,973.77
902386	FedEFTPS	Federal EFTPS	12/7/2021	True	PR Batch 00001.12.2021 FICA Employee Portion PR	\$17,349.53
902387	Orion	Orion Portfolio Solutions	12/7/2021	True	Batch 00001.12.2021 Orion 457	\$1,805.00
902388	PER01	Pers - Electronic	12/7/2021	True	PR Batch 00001.12.2021 2nd Tier PERS	\$9,250.61
21060	Kwi01	Kwiatkowski, Janice	12/1/2021	True	Reimbursement for Parking for CSDA Conference	\$45.00
					December Direct Deposit Payroll	\$90,379.75
					Total Accounts Payable for December, 2021	\$1,002,217.27



TO: GCSB Board of Directors

FROM: Jennifer Flores, Administrative Services Manager

DATE: January 11, 2022

SUBJECT: Agenda Item 4C: Adoption of a Resolution Proclaiming A Local Emergency Persists, Ratifying the Proclamation of a State of Emergency by Governor’s Executive Order N-25-20 and Order N-29-20, and Re-Authorizing Remote Teleconference Meetings of the Legislative Body of the Groveland Community Services District for the Period of January 11, 2022 through February 8, 2022 Pursuant to Brown Act Provisions

RECOMMENDED ACTION:

I move to approve Resolution 01-2022 Ratifying the Proclamation of a State of Emergency by Governor’s Executive Order N-25-20 and Order N-29-20, and Re-Authorizing Remote Teleconference Meetings of the Legislative Body of the Groveland Community Services District for the Period of January 11, 2022 through February 8, 2022 Pursuant to Brown Act Provisions.

BACKGROUND:

In March of 2020, the Governor issued Executive Order N-29-20 (“Order”) suspending portions of the Brown Act and allowing public meetings to occur virtually. That included restricting the public to attend the meetings virtually without a physical location. The Governor’s Order expired on September 30, 2021.

On September 16, 2021 the Governor signed AB 361 that amends the Brown Act teleconferencing requirements to allow a public agency, during a declared emergency (such as the current pandemic), the option of holding meetings remotely without following the current teleconferencing requirements in the Brown Act and restricting the public’s access to telephone or video conference. However, it establishes procedural hurdles that must be followed and maintained during the election to meet remotely.

Following are requirements for invoking AB 361 the first time that a public agency does so:

1. There must be a “proclaimed state of emergency,” *as there is currently, in that the Governor’s State of Emergency Declaration, issued on March 4, 2020, has not been lifted, and*
2. One of the following three circumstances must exist:

- a. State or local officials have imposed or recommended measures to promote social distancing, *which also currently exist in California in light of the COVID-19 pandemic*;
- b. The meeting is held to determine, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to health or safety of attendees; or
- c. The majority of the legislative body has voted that, as a result of the emergency, meeting in person would present imminent risk to the health or safety of attendees.

If a public agency wishes to consider invoking AB 361 for subsequent meetings, the following is required for those subsequent meetings:

1. The proclaimed state of emergency must remain active; or
2. State or local officials have imposed or recommended measures to promote social distancing; and
3. Not later than 30 days after teleconferencing for the first time under the AB 361 rules, and every 30 days thereafter, the Legislative body shall make the following findings by majority vote:
 - The legislative body has reconsidered the circumstances of emergency, and at least one of the following circumstances exist:
 - a. The state of emergency continues to directly impact the ability of the members to meet safely in person; or
 - b. State or local officials continue to impose or recommend measures to promote social distancing.

The requirement that a Legislative body must make one of the two findings listed directly above by majority vote every 30 days to continue to invoke AB 361, will result in the need to hold special Board meetings prior to some of the regularly scheduled monthly meetings as they will fall outside the 30-day window.

FISCAL IMPACT:

None.

ATTACHMENTS:

1. Resolution 01-2022

RESOLUTION 01-2022

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT PROCLAIMING A LOCAL EMERGENCY PERSISTS, RE-RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S EXECUTIVE ORDER N-25-20 AND ORDER N-29-20, AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE GROVELAND COMMUNITY SERVICES DISTRICT FOR THE PERIOD JANUARY 11, 2022 TO FEBRUARY 8, 2022 PURSUANT TO BROWN ACT PROVISIONS

WHEREAS, the Groveland Community Services District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of Groveland Community Services District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Directors previously adopted a Resolution, Number 13-2021 on March 31, 2021, finding that the requisite conditions exist for the legislative bodies of Groveland Community Services District to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists in the District, and the Board of Directors has done so; and

WHEREAS, emergency conditions persist in the District, specifically, a state of emergency remains active in that the Governor's State of Emergency Declaration, issued on March 4, 2020, has not been lifted; and

WHEREAS, the state and local officials have recommended social distancing in light of the ongoing Covid-19 pandemic; and

WHEREAS, the Board of Directors does hereby find that a state of emergency remains active in that the Governor's State of Emergency Declaration, issued on March 4, 2020, has not been lifted, and, the state and local officials have recommended social distancing in light of the ongoing Covid-19 pandemic has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to affirm a local emergency exists and re-ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Directors does hereby find that the legislative bodies of Groveland Community Services District shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the District has taken measures to ensure the public has ease of access to teleconference meetings of the Board of Directors by including detailed instructions on how to observe and participate and the direct meeting link on published agendas as well as detailed instructions for public comment submission.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF GROVELAND COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency persists throughout the District, and state and local officials have recommended social distancing in light of the ongoing Covid-19 pandemic.

Section 3. Re-ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of October 12, 2021

Section 4. Remote Teleconference Meetings. The GENERAL MANAGER and legislative bodies of Groveland Community Services District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) November 10, 2021 or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of Groveland Community Services District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of Groveland Community Services District, this 11th day of January 2022, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST:

Rachel Pearlman, Board Secretary

Janice Kwiatkowski, President - Board of Directors

CERTIFICATE OF SECRETARY

I, Rachel Pearlman, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on January 11, 2022

DATED: _____



TO: GCSO Board of Directors

FROM: Peter Kampa, General Manager

DATE: January 11, 2022

SUBJECT: Agenda Item 4E: Adoption of a Resolution Accepting an Exclusive Sewer Easement Grant Deed from Assessor's Parcel Numbers 090-210-009-000 and 090-210-010-000

RECOMMENDED ACTION:

I move to adopt Resolution 02-2022 Accepting an Exclusive Sewer Easement Grant Deed from Assessor's Parcel Numbers 090-210-009-000 and 090-210-010-000.

BACKGROUND:

District policy delegates authority to the General Manager to negotiate certain easement agreements and grant deeds with property owners in the case where easement property rights are needed or required by the District for utilities and other purposes. Board ratification of such easement deeds and agreements are required prior to recordation.

In the above matter, the property owners desire to abandon a Public Utility Easement between two parcels they own, and in exchange for District approval are offering to dedicate an exclusive sewer easement in a location desired by the District. The appropriate applications, deposits and legal documents have been prepared, accepted by the District and approved by the General Manager. The easement dedication package is attached to this Resolution.

ATTACHMENTS:

1. Resolution 02-2022, including easement agreement, grant deed and exhibits.

FINANCIAL IMPACT:

There is no cost to the District for acquisition of this easement, and the Owner pays the cost of engineering review and recordation at the county.

RESOLUTION 02-2022

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND
COMMUNITY SERVICES DISTRICT ACCEPTING AN EXCLUSIVE SEWER
EASEMENT GRANT DEED FROM ASSESSOR'S PARCEL NUMBERS 090-210-009-000
AND 090-210-010-000**

WHEREAS, property owner Mark and Vicki Lyftogt (Owner) has requested the District abandon its interest in a Public Utility Easement between parcels 090-210-009 and 090-210-010; and

WHEREAS, future public sewer installation plans in the area of the above mentioned property require access for public sewer installation, operation and maintenance in the future on a different portion of the property than the location of the Public Utility Easement to be abandoned; and

WHEREAS, the other utilities have agreed to abandon their interest in the Public Utility Easement in the subject location; and

WHEREAS, the Owner has agreed to develop and dedicate to the District a 15 foot wide exclusive sewer easement in the name of the District in a location acceptable to the District; and

WHEREAS, the General Manager has accepted the easement by grant deed in accordance with the authority conveyed in District policy, subject to ratification by the Board, and to which shall be attached a Certificate of the Secretary of the Board certifying the fact that said resolution was duly adopted by the Board of Directors of the District at a meeting called and held pursuant to the Brown Act on a specified date by the specified vote, and certifying to the fact that said resolution is valid and in full force and effect and has not been revised by the Board of the District since the date of its adoption; and

WHEREAS, no compensation is to be paid by the District for said easement.

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE
GROVELAND COMMUNITY SERVICES DISTRICT DOES hereby:**

1. Accept the Easement Grant Deed from Mark and Vicki Lyftogt, APN 090-210-009 and 090-210-010, as detailed and depicted in the attached District Easement Agreement, Exhibits A and B.
2. Approve the attached Easement Agreement – Public Utility Easement
3. Direct the preparation of the Certificate of Secretary verifying easement acceptance, which shall be recorded with this Resolution, the Grant Deed and Easement Agreement in the Office of the County Recorder in Tuolumne County.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Groveland Community Services District on January 11, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Rachel Pearlman, Board Secretary

Janice Kwiatkowski, President - Board of Directors

CERTIFICATE OF SECRETARY

I, Rachel Pearlman, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on January 11, 2022.

DATED: _____



Doc # 2021019677
 Page 1 of 4
 Date: 12/20/2021 01:37P
 Recording Requested By:
 GROVELAND COMMUNITY SERV DIST
 Filed & Recorded in Official Records
 of COUNTY OF TUOLUMNE
 KAENAN WHITMAN
 COUNTY RECORDER
 Fee: \$0.00

Upon recording send copy to:

Groveland Community Services District
 Post Office Box 350
 Groveland, CA 95321

CONFORMED COPY

EASEMENT GRANT

The undersigned, XXXX, Grantor, for A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, do hereby grant to the GROVELAND COMMUNITY SERVICES DISTRICT, a community services district of the State of California, Grantee, an easement to lay, construct, reconstruct, replace, renew, repair, maintain, operate, change the size of, increase the number of, and remove sewer lines and appurtenances thereof with the right of ingress and egress to and from the same through that certain parcel of land owned by Grantor, situate in the Unincorporated area of the County of Tuolumne, State of California, more particularly described as follows:

See Exhibit "A" attached.
 "B"

Grantor reserves the right to fully use and enjoy the said easement strip provided, however, that Grantor shall not construct or maintain the whole or any part of any permanent structure on the strip which would impair or interfere with the present or prospective exercise of any of the rights herein granted.

The provisions hereof shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns.

Mark Lyftogt
 Mark Lyftogt

12/17/2021
 Date

Vicki Lyftogt
 Vicki Lyftogt

12/17/2021
 Date

STATE OF CALIFORNIA)
 COUNTY OF Monterey)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

On 12-17-2021 before me, Melissa Singh a Notary Public in

and for said County and State, personally appeared Mark Lyftogt and Vicki Lyftogt

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her their signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.
Melissa Singh

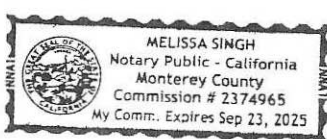


EXHIBIT A

EASEMENT FOR SEWER PURPOSES

All that real property located in the North 1/2 of Section 16, Township 1 South, Range 16 East, M.D.B.&M in the unincorporated territory of Tuolumne County, California, described as follows:

A portion of lots 198 and 199, Pine Mountain Lake Unit No. 5 as shown and delineated on the Official Map thereof, filed in the Office of the County Recorder, Tuolumne County, California on October 15, 1969 in Volume 5 of Subdivisions, at Page 49, more particularly described as follows:

A 15-foot wide strip of land parallel with, and within the Northerly line of said lots 198 and 199, containing an area of 0.056 Acres +/-



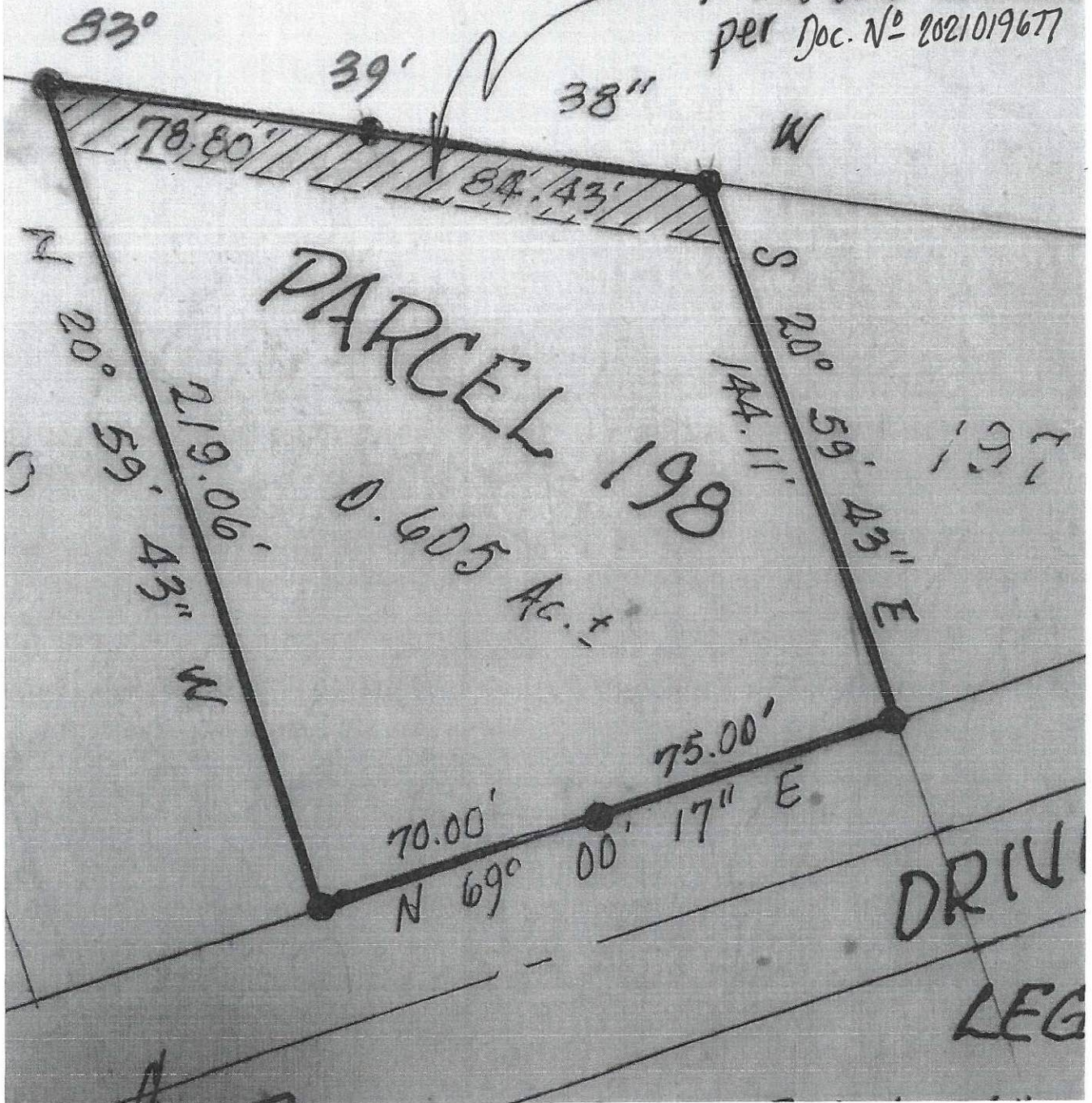
Richard T. Todd, L.S. 5522



EXHIBIT B

740.

15' Wide Sewer Easement
per Doc. No 2021019677



CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the deed or grant from Mark and Vicki Lyftogt to Groveland Community Services District, a Governmental Agency, is hereby accepted on Monday December 20, 2021 by the undersigned duly authorized Officer of Groveland Community Services District.

By: Rachel Pearlman

Board Secretary, Rachel Pearlman

Dated: 12.20.2021



TO: GCSO Board of Directors

FROM: Peter Kampa, General Manager

DATE: January 11, 2022

SUBJECT: Agenda Item 4 F. Acceptance and Filing of CEQA Notices of Exemption for the WWTP Fuel Tank Replacement Project and Automated (Water) Metering Infrastructure Project

RECOMMENDED ACTION:

I move to accept and file CEQA Notices of Exemption for the WWTP Fuel Tank Replacement Project and Automated (Water) Metering Infrastructure Project

BACKGROUND:

The District is required to evaluate each project it undertakes for potential environmental impacts under California environmental laws; CEQA. Most projects undertaken by the District are exempt from the requirement to conduct a detailed evaluation; usually because the project involves replacing facilities and infrastructure in the same or similar location and the likelihood of any negative environmental effects is minimal. Two District projects meet the requirements for filing a (CEQA) Notice of Exemption; attached.

ATTACHMENTS:

1. CEQA Notice of Exemption for the Fuel Tank replacement project and water meter replacement and upgrade project.

FINANCIAL IMPACT:

None

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044
County Clerk
County of: Tuolumne
2 S. Green St.
Sonora, CA 95370

From: (Public Agency): Groveland CSD
18966 Ferretti Rd
Groveland, CA 95321
(Address)

Project Title: WWTP Fuel Tank Pad and Retaining Wall Project

Project Applicant: Groveland Community Services District

Project Location - Specific:
Groveland CSD Wastewater Treatment Plant

Project Location - City: Groveland Project Location - County: Tuolumne

Description of Nature, Purpose and Beneficiaries of Project:
The Groveland CSD (GCSD) currently has a single above ground fuel storage tank that is unable to meet the demands of the District. The District uses fuel for emergency generators located throughout their service area. For this reason, we will be adding an above ground fuel storage tank. The proposed project includes the addition of a new fuel storage tank, as well as various site improvements such as the addition of new retaining wall and valley gutter.

Name of Public Agency Approving Project: Groveland Community Services District

Name of Person or Agency Carrying Out Project: Groveland Community Services District

- Exempt Status: (check one):
[] Ministerial (Sec. 21080(b)(1); 15268);
[] Declared Emergency (Sec. 21080(b)(3); 15269(a));
[] Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
[X] Categorical Exemption. State type and section number: Class 1 - Existing Facilities (S. 15301)
[] Statutory Exemptions. State code number:

Reasons why project is exempt:
The project consists of various site improvements and the addition of an above ground fuel storage tank. The proposed improvements involve no expansion.

Lead Agency
Contact Person: Peter Kampa Area Code/Telephone/Extension: 209-962-7161 Ext. 1024

- If filed by applicant:
1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: [Signature] Date: 1-4-2022 Title: General Manager
Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code. Date Received for filing at OPR:
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Notice of Exemption

Appendix E

To: Office of Planning and Research
 P.O. Box 3044, Room 113
 Sacramento, CA 95812-3044
 County Clerk
 County of: Tuolumne
 2 S. Green St.
 Sonora, CA 95370

From: (Public Agency): Groveland CSD
18966 Ferretti Rd
Groveland, CA 95321
 (Address)

Project Title: Water Meter Replacement Project

Project Applicant: Groveland Community Services District

Project Location - Specific:
Groveland CSD Service Area

Project Location - City: Groveland Project Location - County: Tuolumne

Description of Nature, Purpose and Beneficiaries of Project:

The Groveland CSD (GCSD) provides water services to residence within the service area. The water meters used to record the customer consumption are outdated and have reached the end of their useful lives. For this reason, the existing manual water meters will be replaced with modern advanced metering infrastructure (AMI) water meters.

Name of Public Agency Approving Project: Groveland Community Services District

Name of Person or Agency Carrying Out Project: Groveland Community Services District

Exempt Status: (check one):

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: Class 1 - Existing Facilities (S. 15301)
- Statutory Exemptions. State code number: _____

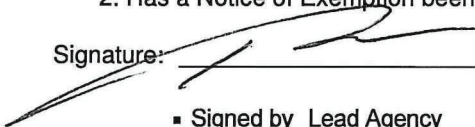
Reasons why project is exempt:

The project consists of replacing the existing customer water meters with new AMI water meters to improve customer consumption accuracy and convey real time consumption data. The proposed improvements involve no expansion.

Lead Agency
 Contact Person: Peter Kampa Area Code/Telephone/Extension: 209-962-7161 Ext. 1024

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? ■ Yes No

Signature:  Date: 1-4-2022 Title: General Manager

■ Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
 Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____



TO: GCSB Board of Directors

FROM: Peter J. Kampa, General Manager

DATE: January 11, 2022

SUBJECT: Agenda Item 5A: Adoption of a Resolution Rescinding the Community Facilities District 2021-01 Future Annexation Area and Related Actions Detailed in District Resolutions 18-2021, 22-2021, 25-2021 and Ordinance No. 1-2021 Which Authorized the Levy of Special Taxes on Properties Annexing to the Community Facilities District 2021-01

RECOMMENDED ACTION:

I move to adopt Resolution 03-2022 Rescinding the Community Facilities District 2021-01 (Public Services) Future Annexation Area Established Pursuant to District Resolutions 18-2021, 22-2021, and Rescinding Special Tax Ordinance No. 1-2021

BACKGROUND:

On December 14, 2021, GCSB staff recommended and the Board took action to direct that GCSB rescind the formation of the community facilities district 2021-01 future annexation area; the effect of such action eliminating the CFD 2021-01 as formed. The Board acknowledged that community facilities districts should be formed by new large commercial projects and new residential developments/subdivisions in the future with special taxes levied pursuant to the Fiscal Impact Analysis report, as amended, to offset their service impacts.

The Board also acknowledged that additional funding will be needed in the near future to ensure that current fire and park service levels can be maintained, since expenses currently exceed revenue and equipment replacement programs are not able to be funded. Additional fire department staffing is also needed as identified in the updated fire master plan, and no revenue is currently available to add such staff.

Staff has prepared a resolution accomplishing the direction of the Board at its December 14, 2021 meeting. At the Board's February 2022 board meeting, the amended development policies will be presented to implement the direction for creation of CFDs by new large commercial developments and residential subdivision projects. In addition at the February 2022 meeting, the Board will consider the next steps in committee formation to work with staff and the county to provide adequate funding and facilities for fire staffing, stations, equipment and service funding to meet the emergency response needs now and with population growth in the future.

FISCAL IMPACT:

There is no direct fiscal impact in taking this action, however as stated in detail in the December 14, 2021 staff report, id rescinded the District will not be collecting revenue from any existing residential parcels on development and therefore will not be collecting revenue adequate to offset the impact of this new development/population as emergency calls and park use increases in the future.

The Board did direct staff to update policies to apply community facilities districts to new large commercial development and residential subdivisions in the future to offset their individual and collective impacts on GCSD fire and park services.

ATTACHMENTS:

- Staff Submittal supporting and recommending the rescission of CFD 2021-01 from the December 14, 2021 Board meeting
- Resolution 03-2022 Rescinding the CFD future annexation area and related actions

RESOLUTION 03-2022

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT RESCINDING THE COMMUNITY FACILITIES DISTRICT 2021-01 (PUBLIC SERVICES) FUTURE ANNEXATION AREA ESTABLISHED PURSUANT TO DISTRICT RESOLUTIONS 18-2021, 22-2021 AND RESCINDING SPECIAL TAX ORDINANCE 1-2021

WHEREAS, the District in 2020 conducted a Fire Master Plan update and as a result subsequently established and adopted fire and emergency response standards and other standards of emergency coverage, including desired staffing levels and emergency response times; and

WHEREAS, the District developed a fiscal impact analysis report to identify the impacts of new land development projects on its Park and Fire services to ensure that adequate funding would be available in the future to increase fire department staffing and park maintenance with population growth; and

WHEREAS, the District adopted Resolution 18-2021 which stated its intention to form a Community Facilities District and establish a future annexation area to provide funding for expansion of Park and Fire services in the future; and

WHEREAS, the District adopted Resolution 22-2021 officially forming Community Facilities District 2021-01 which contained only the boundaries of the future annexation area identified in Resolution 18-2021; and

WHEREAS, the District adopted Resolution 25-2021 to establish and clarify the definition of new development projects subject to the requirement to annex to the Community Facilities District 2021-01; and

WHEREAS, the District adopted Ordinance No. 2021-01 to authorize the levy of special taxes on parcels annexing into the Community Facilities District 2021-01; and

WHEREAS, the District began the process of implementation of Community Facilities District 2021-01 through the County of Tuolumne and has determined that requiring the annexation of all newly developing parcels within the future annexation area would prove time and cost intensive, as well as difficult to integrate with the county land development and building permitting processes; and

WHEREAS, public concern and confusion was expressed over the administration of the Community Facilities District as configured with the future annexation area, and the District on December 14, 2021 directed staff to prepare to rescind the CFD 2021-01 future annexation area and to modify District policies and procedures to apply the creation of Community Facility Districts only to new large commercial and residential subdivision projects in the future.

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT DOES hereby:

1. Rescind the future annexation area and Community Facilities District 2021-01 as established in Resolutions 18-2021 and 22-2021.

2. Rescind District Ordinance No. 2021-01 establishing and authorizing the levy of a special tax on parcels annexing to the CFD.
3. Direct the preparation of amendments to the District policies for new development, goals and policies relating to the formation of community facilities districts to require new large commercial and residential development/subdivision projects to form or join community facility districts as needed to fund the future expansion of services in order to maintain adopted service and response levels.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Groveland Community Services District on January 11, 2022 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Rachel Pearlman, Board Secretary

Janice Kwiatkowski, President - Board of Directors

CERTIFICATE OF SECRETARY

I, Rachel Pearlman, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on January 11, 2022.

DATED: _____



TO: GCSB Board of Directors

FROM: Pete Kampa, General Manager

DATE: December 14, 2021

SUBJECT: Agenda Item 6G: Consideration of the Actions Necessary for the Rescission of the Community Facilities District 2021-1 Future Annexation Area as Established in District Resolution 18-2021, Resolution 22-2021 and Special Tax Ordinance 2021-1

RECOMMENDED ACTION:

I move to direct staff to draft a resolution for Board approval rescinding the following Board actions and directing the drafting of the following policy actions:

1. *Rescind Resolution 18-2021, Declaring the District's Intention to Establish a Community Facilities District Initially Consisting of Solely of Territory Proposed for Annexation to the Community Facilities District in the Future and to authorize the levy of special taxes therein – Community Facilities District 2021-1*
2. *Rescind Resolution 22-2021, establishing the formation of Community Facilities District 2021-1*
3. *Rescind Ordinance No. 1-21, an ordinance authorizing the levy of special taxes on parcels that will annex to Community Facilities District 2021-1*
4. *Rescind Resolution 25-2021, establishing the definition of the types of projects to which the Community Facilities District 2021-1 will apply*
5. *Direct the drafting of a Resolution amending the District's Local Rules and Policies for Community Facilities Districts and new development policies as necessary to amplify and clarify the District's requirement that all new land subdivisions and large commercial developments in the District must fund their actual cost of fire and park services as detailed in the Fiscal Impact Analysis, as amended*
6. *Direct the drafting of a Resolution declaring the intent of the District to seek a memorandum of understanding with Tuolumne County regarding the standards of fire/emergency response coverage desired locally for the Hwy 120 Corridor, County agreement to fund the cost associated with adding fire personnel and equipment to respond to emergency calls outside of the mutual aid response area, agreement on the location and number of fire stations and other related matters to ensure that fire and emergency services can be provided in accordance with the locally adopted coverage and response standards*
7. *Direct staff and/or a committee of the Board to work with community stakeholders in the evaluation of the structure, amount and service levels to be funded with a future a special tax funding measure in the GCSB boundaries*

BACKGROUND:

On June 8th, 2021 the board of directors adopted local goals and policies for community facilities districts and adopted a resolution of intention to form a community facilities district initially consisting solely of territory proposed for annexation to the community facilities district in the future and authorized the levy of special taxes within community facilities district 2021-1. A public hearing notice was published in the local newspaper and on July 13, 2021, the district conducted a public hearing to receive comments on the formation of the community facilities district and subsequently approved its formation. On August 10th, 2021 the board of directors adopted Ordinance No. #2021-1 authorizing the levy of special taxes on parcels that will annex to the community facilities district No. 2021-1. Collectively these actions formalized the creation of the community facilities district 2021-1 for the purpose of collecting special taxes from new development to offset their fiscal impact.

It is normally left to the administrator of the community facilities district to make determinations as to how to apply the special tax to various types of new development projects. Any actions of the administrator must be in compliance with the community facilities district formation documents and state law. Due to the fact that this was the first community facilities district created by GCSD, management felt that it was important to receive specific direction from the board to clarify the types of new development to which the CFD would apply, and did so by Resolution on September 14, 2021.

There has been significant confusion and concern in the community about the purpose and applicability of the Community Facilities District approved by GCSD. Management has met with County Administration, County Counsel and County Supervisors to discuss the implementation of the CFD. Management met recently with GCSD General Counsel and our municipal finance consultant to determine what actions could be taken to address the public concerns, make the process clearer and still implement a means for new development to cover the cost of its fiscal impact on fire services and to fund expansion of the fire department in the future when call volumes increase with population growth. It was determined that the best route may be for the District to rescind the Future Annexation Area of the CFD 2021-1, by rescinding its formation resolutions and special tax ordinance. This would eliminate the CFD 2021-1 completely. The Fiscal Impact Analysis which is the basis for the cost of providing the services fire services is still valid and would remain in place for negotiation with the county, as well as to be applied to funding agreements with new residential subdivisions and major commercial development projects. Staff's recommendation to rescind the CFD is predicated on further Board action to require that new residential subdivisions and major commercial development fully fund their impact and proportional share of fire staff expansion. We further recommend that staff expedite further negotiations with the county to fund additional full time fire staff in the Groveland Region through contract with GCSD or build and staff a full-time station on the Hwy 120 corridor. Lastly, we recommend that we begin working with the community for a Groveland specific special tax measure in the near future.

The above recommended actions would set in motion the process of dissolution of the CFD 2021-1 in that the actions specified above would be returned to the Board for final decision in January 2022, following preparation of documents by GSD legal counsel and consultants.

DISCUSSION:

Beginning in 2019, District management began working closely with the Tuolumne County Administrator's office and Community Development Director in conveying an understanding of the poor financial condition of the Groveland Fire Department following the sunset of a local property assessment in 2012 and the negative impact being created by the Groveland Fire Department responding as the first-in engine for emergency calls in the County responsibility area outside the GCSD boundaries. A brief outline of the Highway 120 Corridor Fire and emergency response locations is included with this agenda item to detail just how far stretched the Groveland Fire Department is, the more than doubling of emergency calls in a 14 year period, and the large amount of Groveland Fire time spent as the primary responder to remote 911 calls that are actually the responsibility of the Tuolumne County Fire Department.

This matter of stretching fire service demands was also exacerbated in 2019 when two lodging/resort projects located over 20 miles from Groveland Station 78 were going through the County planning process and once again, GCSO fire department was identified as, and expected to be the first-in emergency responders. GCSO through its management, Board and Legal Counsel spent hundreds of hours pouring over documents relating to these resort projects, meeting with County staff, preparing for and testifying at Planning Commission hearings that the impact on GCSO Fire, and therefore GCSO taxpayers was inequitable and placed lives and property within GCSO at risk. This effort to inform the county was successful in some respects, as the county approved the projects with conditions requiring payment of a “fair share fee” to offset impacts on fire services; which could come in the form of a Community Facilities District or other mechanism to guarantee funding for enhanced fire services on the Highway 120 corridor in the future. In addition, the County agreed to take over from GCSO the cost of funding the Amador Contract; keeping the CALFIRE station on Merrell Road staffed during the non-fire season.

Considering the stretching of existing fire department resources and in planning for the future, the District hired a professional planning consultant to complete a fire master plan update, which was ultimately adopted by the Board in March 2020. The primary concerns raised in the master plan were the poor financial condition of the fire department with revenue not covering expenses, low staffing levels for complex emergencies, lack of timely mutual aid assistance with no other local departments and high level of response times far outside the District boundaries. The District Board subsequently adopted response standards to ensure that adequate emergency response services were provided inside the District boundaries, and directed the preparation of financial plans to solidify the fire department services into the future.

During the Terra Vi and Under Canvas hearing process, we heard very clearly from the public that GCSO taxpayers do not want to subsidize new development, and we were also being asked by the county for an estimate of costs that GCSO would be incurring in providing services to their new resort development projects. Since GCSO does not have the authority to adopt fees or taxes that it can enforce in the areas where these resort projects are located, the District focused on determining methods to address the known future fiscal impact of providing services to new development within its boundaries. In late 2020 following a request for proposals process, the district engaged a municipal finance consulting firm to evaluate the fiscal impact of providing fire and park services to new development within the district, so that we could adopt appropriate financing structures to have new development pay their proportional cost impacts. This fiscal impact analysis was also intended to serve as the basis for negotiations with the County regarding the cost of providing emergency response services to areas outside the GCSO boundaries. Beginning on adoption of the fire master plan in 2020, the District Board of Directors discussed fire department service levels, response times, staffing needs, equipment replacement plans and funding plans at most Board meetings through June 2021. During those meetings, the Board discussed options to fund existing and enhanced (increased staffing) fire services including special taxes, assessments, response fees, development impact fees, community facilities districts and funding or reimbursement contracts with the county.

The fiscal impact analysis report identified a funding gap of \$295 per new residential dwelling unit between the cost of providing current park and fire services and the average amount of property taxes received for those services. The report also detailed that the cost to increase fire department staffing by three on duty at all times in the future is \$1313 per year per new single family home and \$25 per year per home to offset park fiscal impacts for each new residential unit. There are limited options available to fund fire services, including special taxes, property assessments and fee-for-service. Considering that GCSO was looking for a funding mechanism that allowed new development to pay the cost of expansion of fire department staffing in the future without impact to existing developed properties, the Board chose to proceed with the creation of a Community Facilities District (CFD) future annexation area, where a special tax could be levied on those new development projects who annex into the CFD. The CFD state law was specifically created as

the vehicle to allow special taxes to be levied on new development to fund its fiscal impact on public services.

New development has and will continue to put a strain on the fixed Fire Department services and without additional revenue to fund additional staffing and equipment to offset that impact, these services will not meet standards as population grows in the future and the potential for loss of life and property damage will inevitably increase as a result. Rescinding the Community Facilities District 2021-1 means that to responsibly plan financially for increased staffing in the future, we must develop an alternative source of revenue to pay the associated cost. In addition, there is no current funding available for our \$250,000 per year fire equipment and facility replacement program. We would be negligent if we assumed that the fire department financial circumstances were somehow going to right themselves. We must actively address these structural financial issues.

Existing GCSD taxpayers funding the entire cost of providing fire and emergency response services to the entire Highway 120 corridor from Moccasin to the Yosemite NP boundary now and in the future is simply inappropriate and irresponsible. But if GCSD Fire does not respond to these outlying areas, who will? The revenue to pay for future expansion of the fire department, equipment replacement and increasing operating costs must come from a special tax or assessment paid by existing properties/voters in GCSD, from new development or from Tuolumne County; with the most equitable option being all three funding their proportional share of all costs starting as soon as possible. Items 5, 6 and 7 in the recommended Board action above are intended to direct the strategic planning of this future equitable distribution of costs among current taxpayers, the county and new development.

ATTACHMENTS:

- Highway 120 Corridor/GCSD Fire Emergency Response Summary
- [CFD 2021-1 formation documents](#) – hyperlink only

FISCAL IMPACT:

Additional costs of not to exceed \$5000 will be incurred in legal and consulting costs to rescind the CFD. Rescinding the CFD 2021-1 will reduce future revenue for expansion of fire department staffing by \$1.17 million annually (in 2021 dollars) at buildout of all vacant lots.

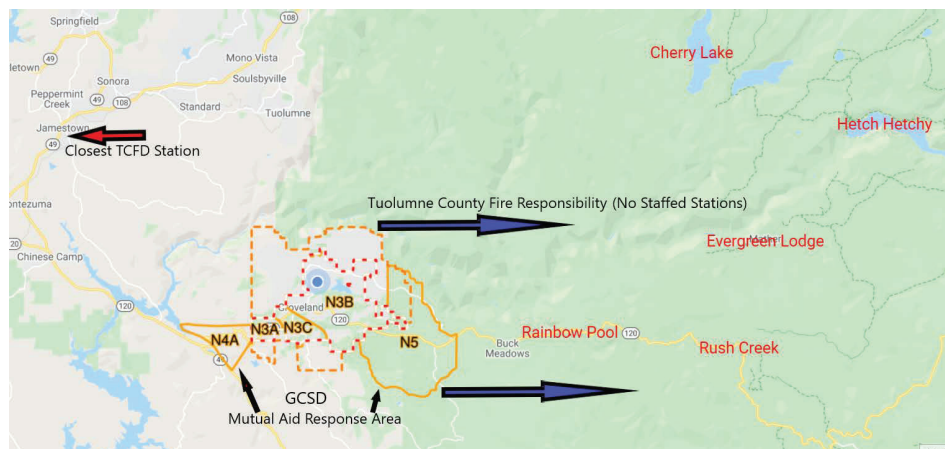
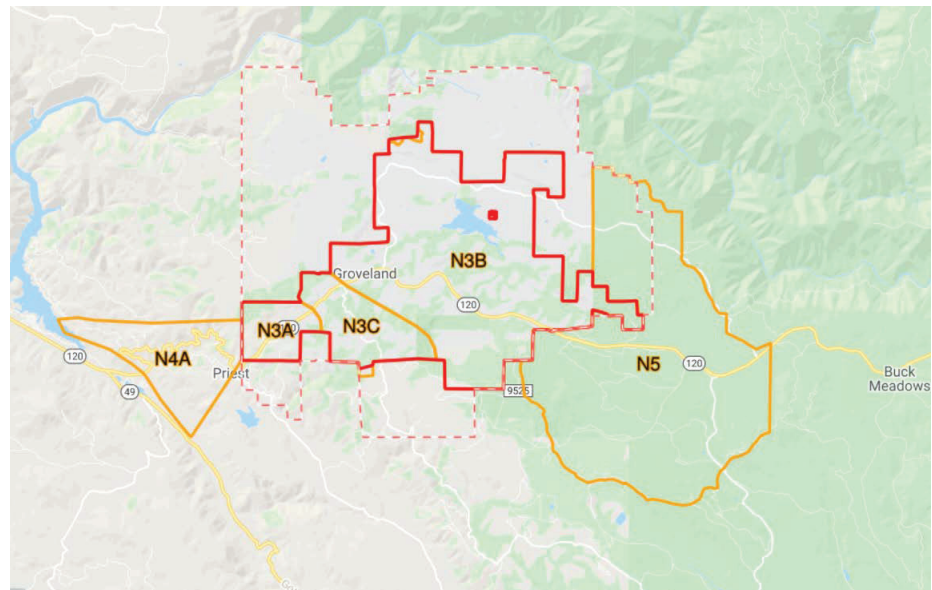
HIGHWAY 120 CORRIDOR/GCSD FIRE EMERGENCY RESPONSE

The Highway 120 area from Chinese Camp into Yosemite National Park includes not only industrial, mixed commercial, residential, but also many outdoor activities and areas to recreate in and around the Stanislaus National Forest.

All areas from Chinese Camp to the Park Boundary including response areas they make access to off of the highway were included in this review. These response areas included responses from Groveland CSD Fire as well as Tuolumne County Fire Department (Normally Jamestown) and/or CAL FIRE Tuolumne Calaveras Unit resources.

Groveland CSD response areas (statutory boundaries) are N3A, GRV, and N3B as shown below. Mutual Aid Response areas are N4A and N5. Groveland CSD Fire also responds as the first-in engine to areas outside of its boundaries and outside the mutual aid boundaries. Areas responded to include:

Groveland
 Big Oak Flat
 God's Bath
 Smith Peak Lookout
 Clavey River Bridge
 Hwy 49 x Marshes Flat Road
 Moccasin Point Marina
 Red Hills
 Smith Station
 Hells Hollow
 Yosemite Springs Road
 Priest Grade
 Moccasin Fish Hatchery
 Grizzly Road
 Priest Coulterville Road
 Groveland Hotel
 Hetch Hetchy
 PML Country Club
 Twin Pines Apartments
 GCSD Fire Station
 Crook Ranch
 Wards Ferry Bridge
 Chinese Camp Fire Station
 Tenaya Elementary
 Tioga High
 Groveland Motel
 Yosemite Pines RV Park
 Jawbone Creek
 Early Intake
 Lost Claim Campground
 Evergreen Lodge
 San Jose Camp
 Yosemite Ridge Resort
 Smith Peak Lookout
 Rush Creek Lodge
 Buck Meadows



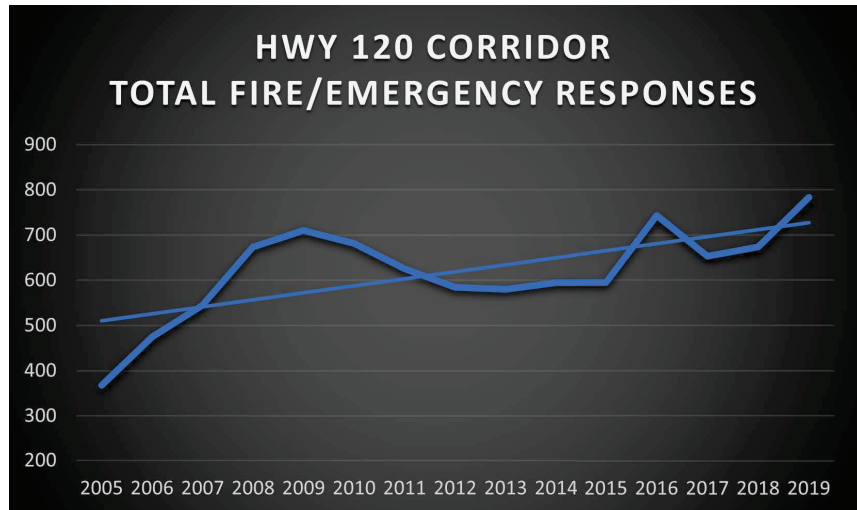
Yosemite Westgare Lodge
 Clavey River Bridge
 Moccasin Campground
 PML Airport
 PML Campground
 Jackass Creek
 Prospect Heights
 Rainbow Pool
 South Fork Tuolumne River
 Cherry Lake
 Joe Walt Run Campground
 Skunk Creek
 Rim of the World
 Moore Creek Campground

Table 4—Incident Response Summary – 2016–2018 (From Table 34)

Incident Location	3-Year Total			
	Number of Responses	Percentage of Responses	Total Time Committed	Percentage of Total Time Committed
Groveland CSD	1,361	88.20%	169:59:37	62.86%
Out-of-District	182	11.80%	100:25:39	37.14%
Total	1,543	100.00%	270:25:16	100.00%

Source: Groveland CSD Fire Department incident data

2019 – 783 incidents
 2018 – 673 incidents
 2017 – 653 incidents
 2016 – 743 incidents
 2015 – 595 incidents
 2014 – 595 incidents
 2013 – 580 incidents
 2012 – 584 incidents
 2011 – 626 incidents
 2010 – 682 incidents
 2009 – 710 incidents
 2008 – 673 incidents
 2007 – 545 incidents
 2006 – 475 incidents
 2005 – 367 incidents





BOARD MEETING AGENDA SUBMITTAL

TO: GCSB Board of Directors

FROM: Peter Kampa, General Manager

DATE: January 11, 2022

SUBJECT: **Agenda Item 6A:** Presentation of the District's Audited Financial Statements for Fiscal Year 2020/21 by Gilbert and Associates

RECOMMENDED ACTION

I move to accept the FY 20/21 Audited Financial Statements.

BACKGROUND

California law requires that the District hire a qualified independent auditing firm to perform an annual audit, or test review of our financial statements to ensure that they are prepared in accordance with Generally Accepted Accounting Principles and various government auditing standards. As the Board cannot possibly be heavily involved in, and fully understanding of the daily financial affairs of the District, the Board hires a Manager and authorizes other staff or consultant positions to handle the routine financial matters. The Board adopts policies to guide how budgets are developed, and how money is spent, accounted for and the results reported to the Board. The auditor, working with management and on behalf of the Board will also test portions of the financial transactions to determine compliance with current Board policy.

Bryant Jolley, CPA was engaged to conduct the audit for the 2019/21 fiscal year, and the final draft audit is attached for your review and acceptance. Gilbert and Associates is an independent financial firm hired by and representing the District to provide an additional level of independent review and internal quality control on the financial statements. A representative from Gilbert and Associates will be in attendance to discuss the audit and answer questions from the Board and public during this meeting.

One of the primary duties of the Board is their fiduciary responsibility with regard to District finances. The Board must establish policies and ensure that the procedures and practices of District management provide the highest level of protection of public funds, and that these funds are invested in appropriate activities and means to achieve the level of service desired by the community, through this Board. The only way for the Board to confirm that this is occurring is to receive accurate and timely financial reporting.

As stated in the audit report, the auditor is not engaged to find every potential flaw in our financial system, but is required to report publicly to the Board if there are material weaknesses or breaches in our financial systems where policy was not followed, or methods were discovered where a substantial risk of fraud, embezzlement or other

financial crimes could occur without immediate notice by management and/or the Board. The auditor will also make findings and recommendations for changes to our financial systems if they feel that material weaknesses could occur, or if there are actions that put the District at financial risk.

The financial statements and the accompanying Management Discussion and Analysis (MD&A) are helpful to inform the Board and public of whether we are accomplishing our financial objectives. In this year's MD&A, management made substantial changes to include outline of the district's financial goals and policies, added a graph showing the trend in "net position" on page 8 of the report. Again this year we have increased our net position by investing the water and sewer rates, and rate increases in infrastructure assets and equipment. The MD&A also clearly explains that we have a disturbing downward trend in the financial health of the fire and park services, since the increase in expenses in those services have far outpaced any small increases in property tax revenue; their only source of funding.

This audit again has no negative findings and staff should be commended for the excellent effort.

ATTACHMENTS

- Audited financial statements

FINANCIAL IMPACTS

None

Groveland Community Services District



Tuolumne County
Groveland, California

Financial Statements with
Independent Auditor's Report

Year Ended June 30, 2021

**GROVELAND
COMMUNITY SERVICES DISTRICT**

**TUOLUMNE COUNTY
GROVELAND, CALIFORNIA**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

YEAR ENDED JUNE 30, 2021

GROVELAND COMMUNITY SERVICES DISTRICT

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FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT

To the Board of Directors
Groveland Community Services District
Groveland, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Groveland Community Service District (District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Groveland Community Services District, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

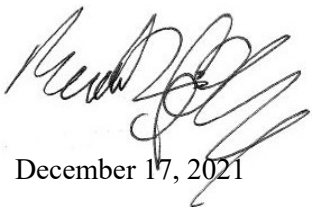
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis and Budgetary Comparison Schedules, Schedule of Changes in the District’s Net OPEB Liability and Related Ratios, Schedule of the District’s Proportionate Share of the Net Pension Liability and Schedule of Contributions on pages 3 - 18 and pages 50 – 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2021, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.



December 17, 2021

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

California law establishes the structure and process for governance, management and administration of the Groveland Community Services District (District or GCSD), and its financial affairs. A five member Board of Directors are elected at large from within the District boundaries, to serve four year staggered terms. The Board appoints a General Manager who is responsible for the day to day management of the District financial affairs, administered in accordance with policies adopted by the Board.

FINANCIAL POLICIES AND GUIDELINES

The financial integrity of GCSD is of utmost importance. Maintaining fiscal stability is a critical component of the overall financial plan. GCSD is accountable to its ratepayers and the public for the use of public funds. Resources should be used wisely to ensure adequate funding for services, public facilities and infrastructure necessary to meet present and future needs. GCSD's financial policies and guidelines provide the backbone for making financial decisions and a benchmark for monitoring financial activities.

General Financial Policy Guidelines

The GCSD Board has adopted financial policies to provide a framework to guide the District's decision-making with respect to operations, budgeting, debt issuance, and financial planning. These guidelines provide overview policy guidelines in the areas of general, revenue, budgeting and expenses, reserves, investments, debt management, capital improvements, purchasing and fixed assets.

These policies require that:

- The District will manage its financial assets in a sound and prudent manner.
- The District will maintain and further develop programs to assure its long-term ability to pay all the costs necessary to provide the level and quality of service required by its customers.

These policies are to promote sound financial management and to ensure that its finances are managed in a manner, which will:

- Support the continued delivery of quality services in compliance with legal and regulatory requirements and at a level meeting or exceeding industry standards,
- Ensure the District's stability, efficiency and effectiveness in accomplishing the Board of Director's goals and objectives for the long term,
- Maintain a balanced budget annually to ensure that the District is operating within its revenue constraints, even when faced with fluctuating service demands, and
- Maintain adequate reserves necessary to meet known and unknown future obligations.

The financial policies of the District are summarized below:

Investment Policy

The District's *Investment Policy* follows California Government Code objectives of safety, liquidity and yield (in that priority order). Annually during the budget development process of each year, the policy is reviewed and readopted by the Board of Directors to ensure GCSD's Investment Policy is up-to-date with current regulations. The General Manager also serves as the District's Treasurer who annually reviews the Investment Policy and as necessary, submits recommended revisions to the Board for their annual consideration and approval. The investing process is carefully monitored to ensure compliance with the Investment Policy and other applicable regulations.

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

Budget Policy

The budget policy defines the budget process for both the operating and CIP budgets. This policy provides guidance to District personnel performing budgetary process functions. The policy requires balanced budgets, which will serve as a financial plan to promote financial stability while accomplishing the Board's goals and objectives.

Reserve Policy

The District's *Reserve Policy*, is designed to distinguish between Legally Restricted Reserves and Board Designated Reserves, establish distinct purposes for each reserve category, set funding targets and accumulation levels for reserves, and identify events or conditions prompting use. The Reserve Policy provides guidance for establishing, funding and using reserves to meet known future obligations and unforeseen needs as deemed prudent and/or required by agreement. As available and deemed appropriate, Board Designated Reserves are funded to reserves in the following broad categories: operational and contingencies, capital facilities and equipment, and debt service.

Debt Management Policy

The policy is intended to provide guidance for debt structure, its justification and evaluation. The primary objective of the Debt Management Policy is to establish conditions for the use of debt and to create procedures and policies that minimize GCSD's debt service and issuance costs, retain the highest practical credit rating, and maintain full and complete financial disclosure and reporting.

Procurement Policy

The District's *Expense Authorization* policy provides the framework and guidelines for District purchases and contracts. This policy covers all District procurement activities (commodity and service purchases and public works contracts) and adheres to Government Code Section 54202 that requires local governmental agencies to adopt policies and procedures including "bidding regulations, governing purchases of supplies and equipment."

DISTRICT ADMINISTRATION AND RELATED EXPENSES

All GCSD administrative, or overhead expenses are budgeted annually in their own category for transparency and evaluation purposes. The salary and benefits of office staff, office expense, insurance, board expenses and other basic costs incurred to administer the affairs of the District, regardless of the services provided, are accounted for in the administrative expense. As a standard practice in allocating District administrative expenses, costs are distributed to the various services provided, at an allocation percentage based on the level of administrative effort that goes into delivering the respective service.

Beginning in 2018/19, GCSD began allocating the administrative expenses to each of its service funds based on an appropriate percentage of benefit derived. Prior to 2018/19, GCSD distributed the administrative expense only to the water, sewer and fire services, with very little to nothing, charged to park service expenses. There is most obviously a benefit derived by the park service by sharing office administrative expenses with other services; since if these services were provided by a separate special district, there would be expenses for a separate office, staff and Board expenses in an amount that would certainly exceed the shared administrative expenses of a CSD.

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

As management of the District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2021. We encourage the readers to consider the information presented here in conjunction with the District's basic financial statements, which immediately follow this section. We also encourage readers to attend GCSD Board meetings to become familiar with District governance and operations and to provide public input. The Board meets in regular session on the second Tuesday of each month. Regular meetings are held at 10:00 a.m. at the District Office, 18966 Ferretti Road, Groveland, California. Board meetings are open to the public to attend physically or virtually via technology platforms such as Zoom. All meeting agendas and supporting materials are available on the District website in advance of the Board meetings and archived at www.gcsd.org.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information intended to furnish additional detail to support the basic financial statements.

- **Government-wide financial statements**, which comprise the first two statements presented, provide both short-term and long-term information about the District's overall financial position. These statements are intended to provide the reader with a broad overview of the District's finances in a manner that is similar to that used by private-sector businesses.
 - The statement of net position presents financial information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Increases or decreases in the net position of the District over time are indicators of whether its financial position is improving or deteriorating, respectively.
 - The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses may be reported in the current period for some items that will only result in cash flows in future fiscal periods, or for which the cash flows have already occurred.
 - Both the statement of net position and the statement of activities distinguish between two types of activities carried out by the District: governmental activities, which are principally supported by property taxes, and business-type activities, which are intended to recover all or a significant portion of their costs through charges for services. The governmental activities of the District include fire protection and parks and recreation. The business-type activities of the District include water, sewer, and the Davis-Grunsky fund.

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

- **Fund financial statements.** A fund is a grouping of related accounts that is used to maintain separate accountability for resources that have been segregated for specific activities or objectives. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and the fiduciary fund.
 - **Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds focus on near-term inflows and outflows of spendable resources. Such information may be useful in assessing a government's near-term financial requirements and legal compliance. Because this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation to the governmental fund statements is provided to explain the differences (or relationships) between them.
 - **Proprietary funds** – The District's proprietary funds, which are enterprise funds, are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail.
 - **Fiduciary fund** – The District is responsible for the administration of the Improvement Districts (Sewer Assessment Districts Nos. 3 and 4) formed under the Municipal Improvement Act of 1911. The District is not obligated to repay the special assessment debt of these special assessment districts. Tuolumne County (County) functions as an agent for the property owners by collecting assessments and forwarding collections to the special assessment debt holders. The County has sufficient funds on hand to pay off these debts.
- **Notes to the financial statements**, which are included in the financial statements, provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.
- **Required supplementary information** provides further explanations and additional support for the financial statements. The District's budget to actual comparisons for the year are included for the Fire Protection Fund and the Parks and Recreation Fund (major special revenue funds).

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

Net Position

Net position over time may serve as a useful indicator of a government's financial position. For the District as a whole, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$16,462,374 as of June 30, 2021. This amount represents the District's net position.

The largest portion (61%) of the District's net position reflects its investment in capital assets (e.g., land, construction in progress, structures and improvements, furnishing and equipment, and vehicles) less any related outstanding debt that was used to acquire those assets. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to pay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining balance of \$6,364,720 is unrestricted and may be used to meet the District's ongoing obligations. The District accounts for this unrestricted fund balance separately for Water, Sewer, (the Business Type Activities), and Fire and Park Services (the Government Type activities), based on amounts budgeted and spent each year in accordance with adopted fund balance and reserve policies.

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current assets and other assets	\$ 1,192,181	\$ 1,030,058	\$ 9,046,649	\$ 9,343,489	\$ 10,238,830	\$ 10,373,547
Capital assets	<u>764,931</u>	<u>754,697</u>	<u>15,069,463</u>	<u>13,013,778</u>	<u>15,834,394</u>	<u>13,768,475</u>
Total assets	<u>1,957,112</u>	<u>1,784,755</u>	<u>24,116,112</u>	<u>22,357,267</u>	<u>26,073,224</u>	<u>24,142,022</u>
Total deferred outflows of resources	<u>148,689</u>	<u>37,486</u>	<u>705,553</u>	<u>850,879</u>	<u>854,242</u>	<u>888,365</u>
Long-term liabilities	645,668	184,709	8,508,124	10,302,740	9,153,792	10,487,449
Other liabilities	<u>30,995</u>	<u>18,211</u>	<u>456,252</u>	<u>490,205</u>	<u>487,247</u>	<u>508,416</u>
Total liabilities	<u>676,663</u>	<u>202,920</u>	<u>8,964,376</u>	<u>10,792,945</u>	<u>9,641,039</u>	<u>10,995,865</u>
Total deferred inflows of resources	<u>88,125</u>	<u>195,122</u>	<u>735,928</u>	<u>1,122,343</u>	<u>824,053</u>	<u>1,317,465</u>
Net position:						
Net investment in capital assets	764,931	754,697	9,332,723	6,495,932	10,097,654	7,250,629
Unrestricted	<u>576,082</u>	<u>669,502</u>	<u>5,788,638</u>	<u>4,796,926</u>	<u>6,364,720</u>	<u>5,466,428</u>
Total net position	<u>\$ 1,341,013</u>	<u>\$ 1,424,199</u>	<u>\$15,121,361</u>	<u>\$11,292,858</u>	<u>\$ 16,462,374</u>	<u>\$ 12,717,057</u>

Changes in Net Position

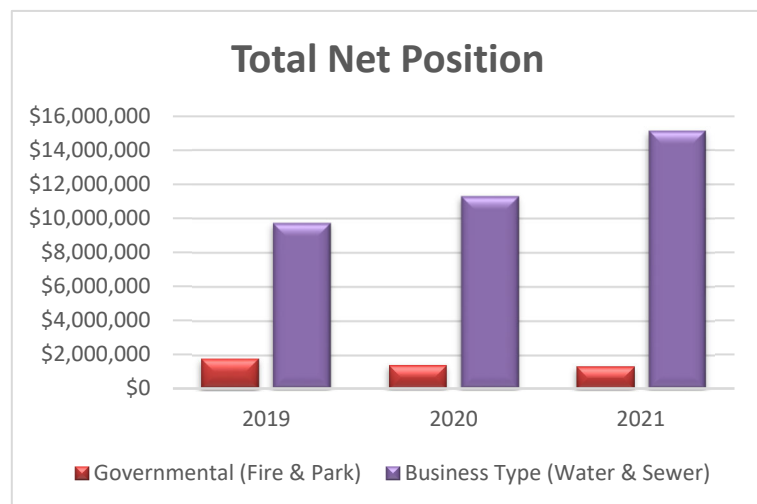
The net position of the District as a whole was \$16,462,374 as of June 30, 2021. This is an overall increase in net position of \$3,745,317 from the prior year. Total investment in capital assets of \$10,097,654 represents the net book value of capital assets, less bonds payable plus unspent bond proceeds. Total net position increased mainly due to the increase in net position for the Water Fund and Sewer Fund in which the reserves will be used for future capital projects as noted in the "Factors Bearing on the District's Future" section of the MD&A.

Governmental activities – The net position for governmental activities as of June 30, 2021 was \$1,341,013. This is an overall decrease in net position of \$83,186 from the prior year; primarily the result of expenses increasing at a higher rate than the growth in property tax revenue. Management has taken various actions to reduce expenses to neutralize the effect on governmental activities. Property values continue to increase slightly due to real estate market changes and higher overall assessed valuation, and therefore property tax revenue increased by 3.8%, \$45,757 in FY2021. Total expenses exceeded total revenues which accounts for the decrease in net position.

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

Business-type activities – For the District’s business-type activities the net position as of June 30, 2021 was \$15,121,361 as shown below. This is an overall increase in net position of \$3,828,503 from the prior year. Total revenues exceeded expenses which accounts for the increase in net position. This is due to an



increase in base monthly and commodity rates for services for fiscal year 2020/2021, which were implemented to improve the cash position of the District and provide additional cash for investments in replacing and upgrading fixed assets, such as infrastructure and equipment. The rate increases were also necessary to provide the cashflow necessary to qualify for the maximum grants and other state and federal funding assistance received for improvement projects.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Program revenues:						
Charges for services	\$ 2,778	\$ 2,515	\$ 5,985,612	\$ 5,540,485	\$ 5,988,390	\$ 5,543,000
Capital grants and contributions	-	-	2,329,552	431,844	2,329,552	431,844
Operating grants and contributions	140,768	-	115,675	-	256,443	-
General revenues:						
Property taxes	1,265,174	1,219,417	3,740	3,755	1,268,914	1,223,172
Interest income	6,109	20,905	21,643	57,084	27,752	77,989
State revenue	136,239	-	-	-	136,239	-
Other revenues	91,644	129,129	16,150	35,544	107,794	164,673
Loss on disposal of capital asset	-	-	(42,721)	-	(42,721)	-
Total revenues	1,642,712	1,371,966	8,429,651	6,068,712	10,072,363	7,440,678
Expenses:						
Public safety	1,595,232	1,585,136	-	-	1,595,232	1,585,136
Parks and recreation	130,666	167,847	-	-	130,666	167,847
Water	-	-	2,628,808	2,791,551	2,628,808	2,791,551
Davis-Grunsky	-	-	2,308	(314)	2,308	(314)
Sewer	-	-	1,970,032	1,713,181	1,970,032	1,713,181
Total expenses	1,725,898	1,752,983	4,601,148	4,504,418	6,327,046	6,257,401
Change in net position	(83,186)	(381,017)	3,828,503	1,564,294	3,745,317	1,183,277
Net position - beginning	1,424,199	1,805,216	11,292,858	9,728,564	12,717,057	11,533,780
Net position - ending	\$ 1,341,013	\$ 1,424,199	\$ 15,121,361	\$ 11,292,858	\$ 16,462,374	\$ 12,717,057

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

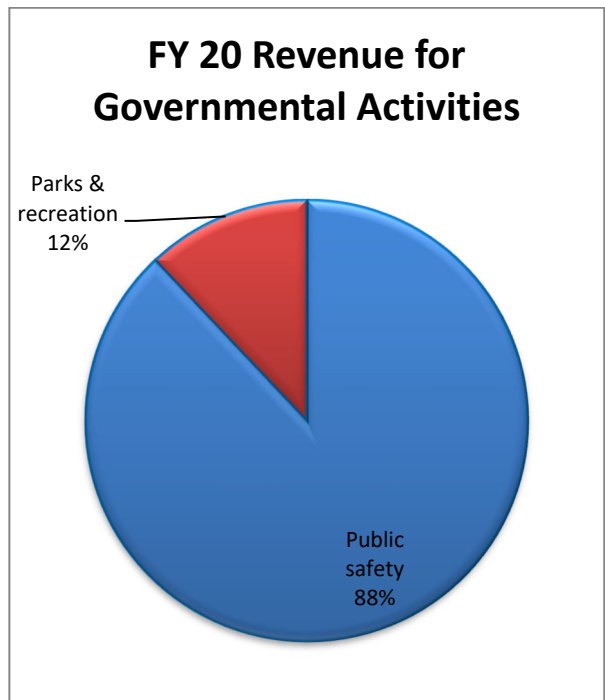
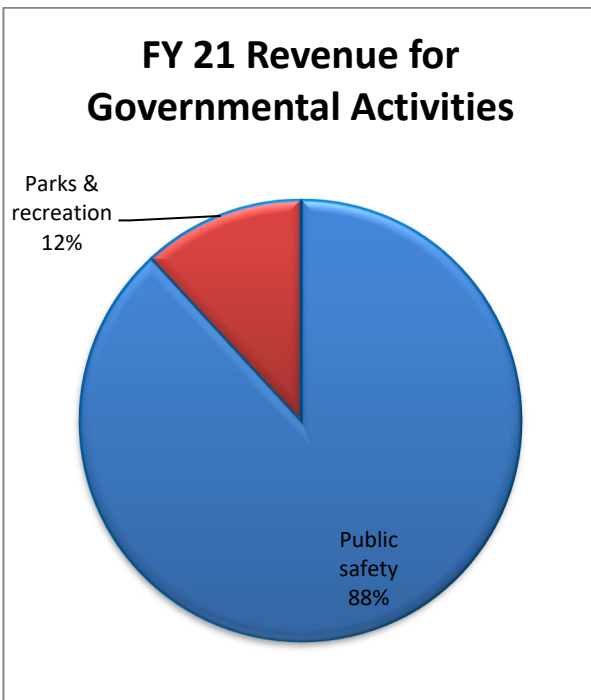
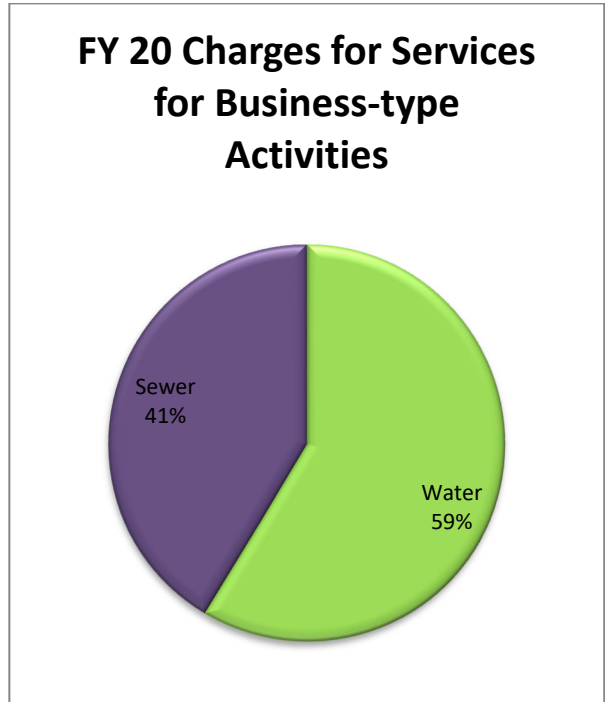
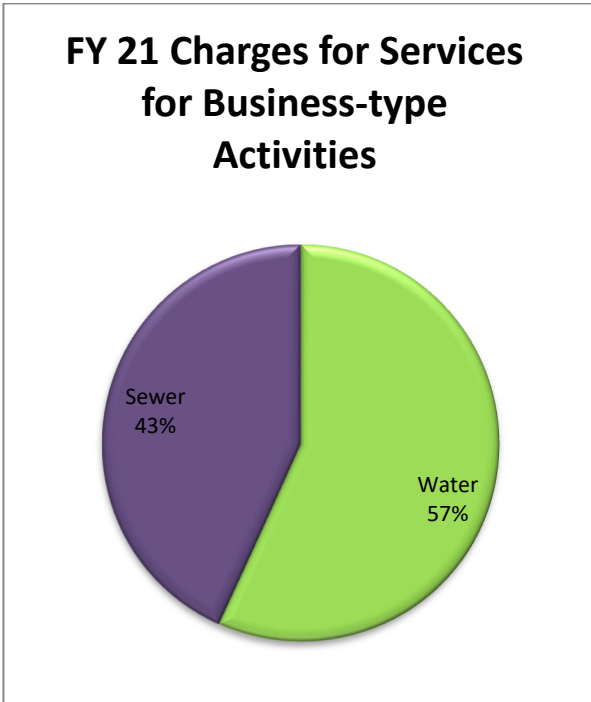
Designated Reserves - Also funded by the water and sewer rate increases were water and sewer infrastructure and equipment replacement reserves established beginning in fiscal year 2015/16 for the water fund and in 2018/19 for the sewer fund. The designated reserves were created specifically to fund annually budgeted equipment and infrastructure expenses, with any remaining amount of the annual allocations set aside to accumulate to fund future important projects. In addition to any budgeted capital outlay, the designated sewer reserves established a \$100,000 set aside specifically to fund infrastructure replacement or improvements required. A summary of the designated reserves are shown below:

Infrastructure and Equipment Reserves				
Fiscal Year	Water (Annual Capital Outlay & Reserved)	Sewer (Annual Capital Outlay)	Sewer (Reserve)	
2015/16	\$450,000	\$0	\$	-
2016/17	\$463,500	\$0	\$	-
2017/18	\$477,405	\$0	\$	-
2018/19	\$491,727	\$300,000	\$	100,000
2019/20	\$506,479	\$300,000	\$	100,000
2020/21	\$506,479	\$300,000	\$	100,000
Total	\$2,895,590	\$900,000		\$300,000
Capital Expenditures	\$ 5,327,945	\$ 1,730,651	\$	-
Grants Received	\$ (3,244,246)	\$ (994,278)	\$	-
Reserve Balance	\$ 811,891	\$ 163,627	\$	300,000

The water and sewer rate increases and reserve funds have provided for the upgrade and replacement of \$7,058,596 in equipment, facility renovations and infrastructure since established, including the leveraging of \$2,445,527 in grant funding reimbursements received during the fiscal year and resulted in a total accumulated water reserve of \$811,891 and sewer reserve of \$463,627 through June 30, 2021.

GROVELAND COMMUNITY SERVICES DISTRICT

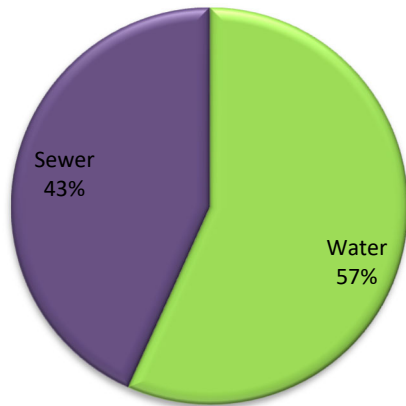
MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021



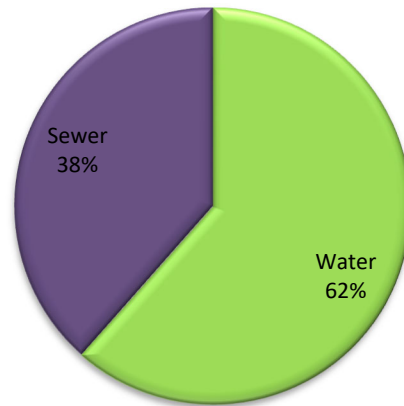
GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

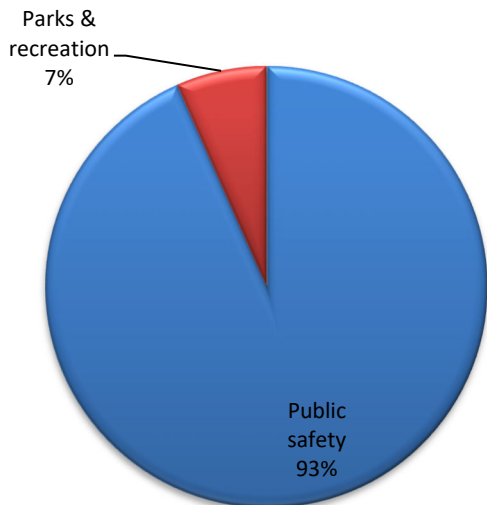
FY 21 Operating Expenses for Business-type Activities



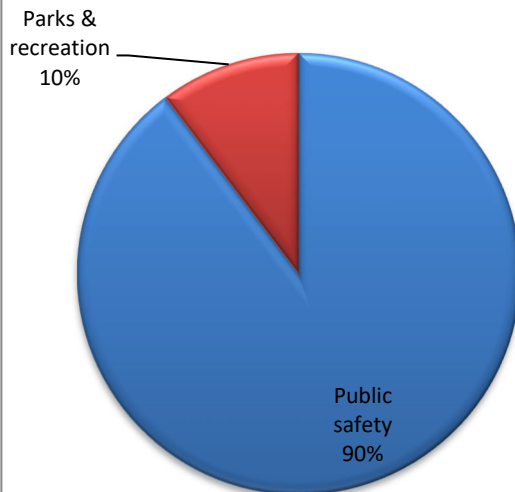
FY 20 Operating Expenses for Business-type Activities



FY 21 Expense for Governmental Activities



FY 20 Expenses for Governmental Activities



GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Changes in Net Fund Balance/Net Position

Governmental fund balances

Fire Fund – A special benefit assessment for the fire department expired in June 2012, resulting in a reduced funding level for the fire department. The District subsequently eliminated its fire department staff positions and entered into a contractual agreement (Schedule A Contract) with CAL FIRE for the operation of the fire department, that began April 1, 2013. This contractual arrangement initially reduced expenses, but was quickly determined to not provide adequate staffing to achieve industry standard services year-round. Therefore, to maintain adequate firefighting resources, the District entered into agreement in 2014 with CAL FIRE to provide year-round staffing at their Merrell Road station (Amador Contract).

The budgeted cost of the Schedule A and Amador contract has exceeded available property tax revenue each year, however the actual amount billed by CAL FIRE has historically been well under budget. In addition, due to serious drought conditions from 2014 through 2017 which resulted in an extended state fire season, no Amador Contract expenses were incurred in those years and therefore revenue and expenses were in balance. In the 2018/19 and again in the 2019/20 fiscal year, the Amador contract expense was billed by CAL FIRE and the Schedule A billing began increasing by over 5% per year which approached the amount budgeted, causing the fund balance to be drawn down to balance revenue and expenses for the year. In the 2019/20 fiscal year, the fire department fund balance was depleted by \$204,905 and then recovered by only \$53,762 in fiscal year 2020/21. The District estimates that without additional revenue, the remaining fire department cash will be depleted in less than three years.

Considering the fire department budget deficit, inability to replace critical equipment and inability to reduce expenses further and continue to provide required staffing, the District completed an update of its fire department master plan to identify required immediate and long term expenses to meet established fire protection and emergency response standards and evaluate department revenue options. Concurrently in 2019/20 fiscal year, the District hired professional consultants to determine, develop and place before the voters a revenue measure to ensure that fire services are adequately funded into the future. Due to the Covid-19 Pandemic and its negative economic impact locally, the fire revenue measure planned for 2020 was placed on hold. In January 2021 the District entered into a joint powers agreement with Tuolumne County and the other county fire departments for the purpose of placing a special tax revenue measure on the June 8, 2021 special election ballot. If approved, the special tax measure would have provided over \$500,000 annually to the District fire department to replace equipment and develop a contingency and reserve fund. The measure was defeated and the JPA dissolved.

In addition, as recommended in the updated 2020 Fire Master Plan, the District has been negotiating with the County of Tuolumne for funding assistance to offset the expense and impact of providing fire protection and emergency response services for an increasing 911 call volume occurring outside the District boundaries, predominantly in the county's responsibility area, as a result of the District's via its automatic/mutual aid agreement. As a result, the County assumed the cost of the Amador Contract which funds the non-fire season staffing at the CAL FIRE Merrell Rd fire station at an estimated cost of \$260,000 annually. This action by the county will reduce the drawdown of the fire department fund balance in future years, but does not balance the fire department revenue and expense.

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

To address the cost of expanding fire department staffing in the future with the growth of the community, the District has adopted a Resolution of Intention to form a Community Facilities District which authorizes the levy of a special tax on newly developing properties, with the revenue being set aside for staff expansion when emergency call volume warrants.

Park Fund – The park services benefit from the administrative services of the District, which include shared Board, management and office expenses. Since the 2018/19 fiscal year, the District has allocated approximately 5% of the majority of administrative expenses to the park services, to accurately reflect the benefit received in accordance with law.

Business Type Activity Funds

The **Water Fund** generated operating income of \$947,744, a net decrease from nonoperating activities of \$123,828 and a net increase in capital activity of \$1,946,388 for a total increase in net position of \$2,770,304. The primary capital activity item was grant revenue of \$1,946,388 and primary nonoperating item was interest expense of \$99,523 on long-term debt.

The **Sewer Fund** generated operating income of \$718,539, a net decrease from nonoperating activities of \$45,007, and a net increase in capital activity of \$383,164 for a total increase in net position of \$1,056,696. The primary capital activity item was state grant revenue of \$383,164 and primary nonoperating item was interest expense of \$92,722 on long-term debt.

Change in Fund Balance/Net Position

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
Governmental Fund Balance:			
Fire protection	\$ 951,247	\$ 897,485	\$ 53,762
Parks and recreation	209,939	114,362	95,577
Enterprise Net Position:			
Water	9,081,061	6,310,757	2,770,304
Davis-Grunsky	14,790	13,287	1,503
Sewer	6,025,510	4,968,814	1,056,696

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

CAPITAL ASSETS

At June 30, 2021 the District has invested \$15,834,394 in capital assets. This amount represents a net increase of \$2,065,919 from last year. The increase in capital assets was primarily a result of \$1,094,982 related to the annual depreciation expense offset by capital asset additions of \$3,341,047. The most significant additions to the capital assets during this fiscal year are detailed below:

Assets Shared by Multiple Services

- Installation of a security camera system for the District administrative office
- Purchase of a vehicle maintenance diagnostic scanner to assist in reducing fire engine and utility vehicle downtime
- Replacement of the roof on the Operations building
- Replacement of the roof on the Maintenance building
- Administrative office server replacement and technology upgrades
- Renovation and restoration of the administrative office parking lot and access roads

Water Service

- Water Distribution System Improvements:
 - Replacement of pressure control valves and pump control valves
 - Purchase of a replacement crane truck capable of pulling pumps, motors, valves, fire hydrants, etc. to increase efficiency and safety
 - Replacement of an emergency power generator at Tank #2 and Tank #4
 - Draft final design and permitting for the Downtown Groveland/Big Oak Flat Water System Improvements
 - Tank #2 pump station heater/AC unit to reduce stress on electrical equipment
 - Purchase and installation of solar powered tank mixing equipment to improve the quality of water stored in tanks during summer heat
 - Purchase of an all terrain vehicle used to access infrastructure in difficult easements
- Water Treatment Plants:
 - Replacement of air conditioning unit at the Big Creek Water Plant
 - Complete renovation of the interior and exterior coatings of the Big Creek and Second Garrotte 2 million gallon clearwells which store and treat water to provide contact time with the chlorine injected at the treatment plants. Renovation and upgrade of the water booster pumping station at Butler Wy to increase efficiency, reliability and improve overall operation. This project was funded 100% by a \$3.4 million state grant

Sewer Service

- Purchase of a replacement Bobcat loader for use to move solids at the wastewater treatment plant
- Replacement of flow monitoring equipment
- Replacement of an industrial, fixed air blower required to induce oxygen into the wastewater being treated
- Installation of a manhole for access to cleaning sewer within the park
- Installation of sewer manhole covers in several locations as a pilot project that monitors and transmits wastewater flow data for use in monitoring system performance and avoiding sanitary sewer overflows
- Purchased replacement submersible pumps for Lift Station #8 and #11

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

- Completed design of improvements to the wastewater treatment plant to increase efficiency, provide for increased operational control, reduce odor production and replace failed equipment
- Purchased a replacement solids removal screen system to be installed with the wastewater treatment plant improvements project
- Purchased replacement sludge press pump
- Completed planning, design, permitting and public bidding for a \$5.8 million Groveland/Big Oak Flat Sewer Collection System Rehabilitation project funded with a state grant of \$4.4 million and loan of \$1.4 million. Construction will take place beginning in the 2021/22 fiscal year

Fire

- Fire station siding and gutter replacement, building repairs and paint

Total Funds Invested in Capital Assets

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
Land	\$ 468,436	\$ 468,436	\$ -
Structures and improvements	33,054,427	32,870,827	183,600
Furniture and equipment	3,029,324	2,860,631	168,693
Vehicles	1,594,109	1,409,511	184,598
Construction in progress	3,770,313	1,359,828	2,410,485
Accumulated depreciation	<u>(26,082,215)</u>	<u>(25,200,758)</u>	<u>(881,457)</u>
Total	<u>\$ 15,834,394</u>	<u>\$ 13,768,475</u>	<u>\$ 2,065,919</u>

LONG-TERM DEBT

At June 30, 2021, the District has \$9,153,792 in long-term debt, including the net pension liability and net OPEB liability. The changes to long-term debt are primarily attributable to scheduled principal payments and the change in the net pension liability and net OPEB liability.

The District also completed the following debt refunding and debt issuance during the year ended June 30, 2021:

The District issued the 2021 Water Refunding Bonds (2021 Water Refunding) dated January 4, 2021 in the amount of \$3,128,540 with an interest rate of 2.350% to current refund the 2013 Installment Sale Agreement and Water Revenue Refunding Bonds, Series 2014. Payments are due semiannually on July 10 and January 10. Final maturity is on July 10, 2027. The refunding reduced the District's debt service payments by \$887,084 and provided for an economic gain (difference between the present value of the old and new debt service payments) of approximately \$126,733 in aggregate.

The District provides pension benefits to its employees through the Groveland Community Services District Miscellaneous Plan, a cost-sharing multiple-employer defined benefit pension plan maintained by CalPERS, an agency of the State of California. Qualified employees are covered under the Miscellaneous 2.7% at 55

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2021

for classic employees and 2% at 62 for PEPRA employees in the Risk Pool (the Plan). CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. As of June 30, 2021, the District's proportionate share of the Plan's net pension liability was \$2,753,741, which is determined by an actuary annually. The District is evaluating refinancing methods to further reduce its CalPERS Unfunded Accrued Liability.

For certain employees hired before July 1, 2016, the District offers a retiree healthcare plan that provides postemployment health benefits for eligible retired employees and their dependents through the retiree healthcare plan (the Plan). The District, through the authorization of their Board of Directors, elected to establish an irrevocable trust for the Plan through the California Employers' Retiree Trust (CERBT) fund, an agent multiple-employer plan, administered by CalPERS. The CERBT has pooled administrative and investment functions, while separate employer accounts are maintained to prefund and pay for health care or other postemployment benefits in accordance with the terms of the participating employers' plans. The CERBT offers three investment strategies for employers to choose from depending on their expected levels of return and volatility. Benefit provisions are established by the District. As of June 30, 2021, the District's net OPEB liability was \$366,116 which is determined by an actuary annually. As a cost control measure, the District eliminated this benefit for employees hired after July 1, 2016.

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
Bonds, net	\$ 2,899,179	\$ 6,935,116	\$ (4,035,937)
Net OPEB obligation	366,116	2,082,536	(1,716,420)
Compensated absences	177,597	82,398	95,199
Net pension liability	2,753,741	2,388,940	364,801
Other long-term debt	<u>2,957,159</u>	<u>9,783</u>	<u>2,947,376</u>
Total	<u>\$ 9,153,792</u>	<u>\$ 11,498,773</u>	<u>\$ (2,344,981)</u>

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared, factors affecting the District's future included:

Fire Services – The District continued its contract with CAL FIRE for the operation of the Fire Department, and for the second consecutive year as predicted, the expenses associated with the Schedule A contract, building improvements and operating costs exceeded the available annual property tax allocation, causing a drawdown of fund balance reserves. As of June 1, 2020, the County of Tuolumne now funds the cost of the CAL FIRE contract (Amador Contract) to include year round staffing of the seasonal Fire Station (Station B) located on Merrell Rd. The cost of staffing this station is funded by the state during the (state) declared fire seasons, and by the County during non-fire season; typically November through April annually.

It is estimated that the cost associated with the CAL FIRE Schedule A and Amador Contract will increase by approximately 5% annually, at minimum over the next three years through June 30, 2024. It is also estimated that Fire Department revenue will increase at approximately 2% to 4% annually during this same period, resulting in further reductions in net position and cash unless additional revenue is secured to balance the budget. The District's Government (Fire) Fund

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

balances could be depleted within the next three years and earlier if any catastrophic failure occurs to the main fire engines. Elimination of the Amador Contract expense alone did not and will not balance department expense and revenue, as the cost of the Schedule A contract alone will soon exceed total revenue available. Therefore, an increase in Fire Department revenue is critical to maintain services at the current level.

In addition, GCSD maintains over \$4.7 million in Fire Department capital assets, including fire engines, buildings, tools and safety equipment. Recent past budgets have not included funding for the short and long term replacement of fire department equipment. In January 2020 the Board adopted the Fire Department capital asset replacement schedule which revealed that a \$274,000 annual expense is required annually to replace critical department equipment and facilities as they wear out. The amount of funding available to the District for its Fire Department is inadequate to fund replacement of the capital assets. The Board subsequently adopted the updated Fire Master Plan in March 2020 which recommended a number of actions related to department finances, as listed below:

1. Pursue a cost reimbursement or direct funding assistance from Tuolumne County for the expense associated with providing fire services outside the District boundaries, including the Amador Contract costs. District management is actively collaborating with the county on cost sharing.
2. Pursue a fire special tax or assessment to fund the structural fire department deficit and to cover the cost of CAL FIRE contracts and equipment replacement. The District actively worked with Tuolumne County and the other fire districts in the county in formation of a Joint Powers Authority and placed a special parcel tax on the ballot countywide in June 2021. The measure failed and the JPA was dissolved. Other funding options are being evaluated.
3. Evaluate cost sharing agreements with Tuolumne County regarding services provided to new land development projects. District management is working with the county to assist in identifying appropriate cost and service level impact mitigation.

It is management's estimation that achieving success in all three actions listed will result in a balanced Fire Department budget and the ability to fully fund the necessary equipment replacement schedule.

Park Services – As with Fire services, the expense of delivering basic park services including building and facility maintenance and repair, cleaning, insurance and other necessary expenses exceed the amount of property tax funding available. There is not adequate reserve funding available to sustain Park services in perpetuity into the future. The District is currently evaluating various revenue producing options to fund park services into the future including upgrading facilities to reduce maintenance costs, adding park features to increase facility rentals and donations. The Park Improvements Plan will be completed in the 2021/22 fiscal year and the District will be seeking multiple grant opportunities.

Water Services – The District has completed the planning and design process for a large-scale Water System Replacement Project which will improve the water distribution lines in the Groveland- Big Oak Flat area. The planning was funded by a \$405,000 state grant. The planning process resulted in engineered plans and specifications, state permits and environmental approvals

GROVELAND COMMUNITY SERVICES DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2021

necessary to construct the project should adequate grant and/or loan funding be awarded. The District has applied for project funding to the State Drinking Water State Revolving Fund and to the Community Development Block Grant program as a subrecipient to the County of Tuolumne. In addition, a state grant funding contract has been received for \$3.4 million for the rehabilitation of two clear well water storage tanks, which will be completed in the 2021/22 fiscal year. The District Water System Master Plan will be completed in the 2021/22 fiscal year, which will contain a long and short term Capital Improvement/Replacement Plan; and for which the District will establish appropriate fees and charges, and seek funding and financing. Cash generated from recent increases to customer water rates are being used to leverage grant funds, make loan and debt service payments, and generate reserve funds for capital projects.

Sewer Services – The District has completed planning a large-scale Sewer System Replacement Project which will improve the sewer collection lines in various locations throughout the District's sewer system. This planning process was funded through a state grant in the amount of \$399,000. The planning process resulted in preliminary engineering, state permits and environmental approvals necessary to support an application for state funding for project construction, which has been submitted. A \$5.8 million state grant and loan funding agreement was received in this fiscal year, a construction contract has been executed and construction will begin immediately after state budget approval. The District also secured a \$1,511,053 low interest loan as discussed in the Long Term Debt section above, for the purpose of constructing improvements to the wastewater treatment plant to increase operating efficiency and reduce the production of odors. Engineering design has been completed for the project and construction will begin in 2022. Cash generated from recent increases to customer sewer rates are being used to leverage grant funds, make loan and debt service payments, and generate reserve funds for capital projects.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, ratepayers, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions regarding this report or need additional financial information, contact Peter Kampa, General Manager, Groveland Community Services District, 18966 Ferretti Rd., Groveland, CA 95321.

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2021

	Governmental Activities	Business-type Activities	Totals
ASSETS:			
Cash and equivalents	\$ 1,457,348	\$ 7,898,934	\$ 9,356,282
Accounts receivable	28,781	853,767	882,548
Internal balances	(293,948)	293,948	
Depreciable capital assets (net)	705,010	10,890,635	11,595,645
Nondepreciable capital assets	59,921	4,178,828	4,238,749
Total assets	1,957,112	24,116,112	26,073,224
DEFERRED OUTFLOW OF RESOURCES:			
Deferred outflow of resources related to pensions	138,992	502,488	641,480
Deferred outflow of resources related to OPEB	9,697	87,375	97,072
Deferred amount on debt refunding		115,690	115,690
Total deferred outflow of resources	148,689	705,553	854,242
LIABILITIES:			
Accounts payable and accrued liabilities	30,795	367,597	398,392
Interest payable		77,248	77,248
Deposits payable	200	11,407	11,607
Long-term liabilities, due within one year	12,431	930,950	943,381
Long-term liabilities, due in more than one year		5,090,554	5,090,554
Net OPEB obligation, due in more than one year	36,574	329,542	366,116
Net pension liability, due in more than one year	596,663	2,157,078	2,753,741
Total liabilities	676,663	8,964,376	9,641,039
DEFERRED INFLOW OF RESOURCES:			
Deferred inflow of resources related to pensions	10,768	38,931	49,699
Deferred inflow of resources related to OPEB	77,357	696,997	774,354
Total deferred inflow of resources	88,125	735,928	824,053
NET POSITION:			
Net investment in capital assets	764,931	9,332,723	10,097,654
Unrestricted	576,082	5,788,638	6,364,720
Total net position	\$ 1,341,013	\$ 15,121,361	\$ 16,462,374

The accompanying notes are an integral part of these financial statements.

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Totals
Governmental Activities:							
Public safety	\$ 1,595,232		\$ 140,768		\$ (1,454,464)		\$ (1,454,464)
Parks and recreation	130,666	\$ 2,778			(127,888)		(127,888)
Total Governmental Activities	1,725,898	2,778	140,768		(1,582,352)		(1,582,352)
Business-type Activities:							
Water	2,628,808	3,399,221	73,245	\$ 1,946,388		\$ 2,790,046	2,790,046
Davis-Grunsky	2,308					(2,308)	(2,308)
Sewer	1,970,032	2,586,391	42,430	383,164		1,041,953	1,041,953
Total Business-type Activities	4,601,148	5,985,612	115,675	2,329,552		3,829,691	3,829,691
Total Primary Government	\$ 6,327,046	\$ 5,988,390	\$ 256,443	\$ 2,329,552	(1,582,352)	3,829,691	2,247,339
General Revenues (Expenses):							
Property taxes					1,265,174	3,740	1,268,914
Interest earnings					6,109	21,643	27,752
State Revenue					136,239		136,239
Other revenue					91,644	16,150	107,794
Loss on disposal of capital asset						(42,721)	(42,721)
Total general revenues					1,499,166	(1,188)	1,497,978
Change in net position					(83,186)	3,828,503	3,745,317
Net position - beginning					1,424,199	11,292,858	12,717,057
Net position - ending					\$ 1,341,013	\$ 15,121,361	\$ 16,462,374

The accompanying notes are an integral part of these financial statements.

GROVELAND COMMUNITY SERVICES DISTRICT

BALANCE SHEETS GOVERNMENTAL FUNDS JUNE 30, 2021

	Fire Protection	Parks and Recreation	Total Governmental Funds
ASSETS:			
Cash and equivalents	\$ 1,037,650	\$ 419,698	\$ 1,457,348
Accounts receivable	28,781		28,781
Total assets	\$ 1,066,431	\$ 419,698	\$ 1,486,129
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 23,369	\$ 7,426	\$ 30,795
Deposits payable		200	200
Due to other funds	91,815	202,133	293,948
Total liabilities	115,184	209,759	324,943
Fund balances:			
Committed:			
Fire protection	951,247		951,247
Parks and recreation		209,939	209,939
Total fund balances	951,247	209,939	1,161,186
Total liabilities and fund balances	\$ 1,066,431	\$ 419,698	\$ 1,486,129

GROVELAND COMMUNITY SERVICES DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEETS TO THE STATEMENT OF NET POSITION JUNE 30, 2021

Total fund balance, governmental funds \$ 1,161,186

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. This is the amount, net of accumulated depreciation, included in the statement of net position. 764,931

In the governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the governmental activities statement of net position, deferred outflow and inflows of resources are reported as follows:

Deferred outflow of resources related to pensions	138,992
Deferred inflow of resources related to pensions	(10,768)
Deferred outflow of resources related to OPEB	9,697
Deferred inflow of resources related to OPEB	(77,357)

Compensated absence, net OPEB liability and the net pension liability are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities are included in the governmental activities in the statement of net position. (645,668)

Total net position, governmental activities \$ 1,341,013

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2021

	<u>Fire Protection</u>	<u>Parks and Recreation</u>	<u>Total Governmental Funds</u>
REVENUES:			
Property taxes	\$ 1,163,960	\$ 101,214	\$ 1,265,174
Interest earnings	4,518	1,591	6,109
Charges for services		2,778	2,778
Grant revenue	140,112		140,112
State revenue	136,239		136,239
Other revenues	3,300	89,000	92,300
Total revenues	<u>1,448,129</u>	<u>194,583</u>	<u>1,642,712</u>
EXPENDITURES:			
Public safety	1,316,278		1,316,278
Parks and recreation		96,773	96,773
Capital outlay	78,089	2,233	80,322
Total expenditures	<u>1,394,367</u>	<u>99,006</u>	<u>1,493,373</u>
Net change in fund balance	53,762	95,577	149,339
Fund balances - beginning of year	<u>897,485</u>	<u>114,362</u>	<u>1,011,847</u>
Fund balances - end of year	<u>\$ 951,247</u>	<u>\$ 209,939</u>	<u>\$ 1,161,186</u>

GROVELAND COMMUNITY SERVICES DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds	\$ 149,339
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Amounts reported for governmental activities and in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay expenditures are added back to fund balances	\$ 80,322	
Depreciation expense not reported in governmental funds	<u>(70,095)</u>	10,227

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on an accrual basis. The difference between accrual basis pension costs and employer contributions was:

	(360,954)
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In governmental funds, retiree benefit costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are measured on an accrual basis. The difference between accrual basis OPEB costs and employer contributions was:

	122,368
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Increases/decreases in compensated absences are not recorded as expenditures in governmental funds because they are not expected to be liquidated with current financial resources. In the statement of activities, changes in compensated absences are recognized as expenses.

	<u>(4,166)</u>
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Change in net position of governmental activities	<u>\$ (83,186)</u>
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GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2021

	Business-type Activities Enterprise Funds			Totals
	Water Fund	Davis-Grunsky Fund	Sewer Fund	
	Fund	Fund	Fund	
ASSETS:				
Cash and equivalents	\$ 3,923,537	\$ 15,213	\$ 3,960,184	\$ 7,898,934
Due from other funds	67,007	3,485	223,456	293,948
Accounts receivable	445,619		408,148	853,767
Depreciable capital assets (net)	6,625,037		4,265,598	10,890,635
Nondepreciable capital assets	2,791,895		1,386,933	4,178,828
Total assets	13,853,095	18,698	10,244,319	24,116,112
DEFERRED OUTFLOW OF RESOURCES:				
Deferred outflow of resources related to pensions	294,903		207,585	502,488
Deferred outflow of resources related to OPEB	59,433		27,942	87,375
Deferred amount on debt refunding	88,581		27,109	115,690
Total deferred outflow of resources	442,917		262,636	705,553
LIABILITIES:				
Accounts payable and accrued liabilities	195,716		171,881	367,597
Interest payable	32,756		44,492	77,248
Deposits payable	11,407			11,407
Long-term liabilities, due within one year	538,581	3,908	388,461	930,950
Long-term liabilities, due in more than one year	2,449,428		2,641,126	5,090,554
Net OPEB Obligation, due in more than one year	224,156		105,386	329,542
Net pension liability, due in more than one year	1,265,957		891,121	2,157,078
Total liabilities	4,718,001	3,908	4,242,467	8,964,376
DEFERRED INFLOW OF RESOURCES:				
Deferred inflow of resources related to pensions	22,848		16,083	38,931
Deferred inflow of resources related to OPEB	474,102		222,895	696,997
Total deferred inflow of resources	496,950		238,978	735,928
NET POSITION:				
Net investment in capital assets	6,606,334		2,726,389	9,332,723
Unrestricted	2,474,727	14,790	3,299,121	5,788,638
Total net position	\$ 9,081,061	\$ 14,790	\$ 6,025,510	\$ 15,121,361

The accompanying notes are an integral part of these financial statements.

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2021

	Business-type Activities			Totals
	Enterprise Funds			
	Water Fund	Davis-Grunsky Fund	Sewer Fund	
OPERATING REVENUES:				
Charges for services	\$ 3,397,622		\$ 2,586,391	\$ 5,984,013
Other	1,599			1,599
Total operating revenues	<u>3,399,221</u>		<u>2,586,391</u>	<u>5,985,612</u>
OPERATING EXPENSES:				
Salaries and wages	421,361		360,659	782,020
Payroll expenses	439,932		315,226	755,158
Utilities	302,439		90,983	393,422
Supplies, equipment, and materials	304,052		133,438	437,490
Repairs and maintenance	164,673		173,344	338,017
Professional services	128,572		98,151	226,723
Licenses and permits	7,770		33,972	41,742
Insurance	80,275		54,472	134,747
Miscellaneous	36,164		17,350	53,514
Communications	11,158		5,120	16,278
Employee development	33,829		33,630	67,459
Janitorial	13,904		7,542	21,446
Rents and leases	7,044			7,044
Memberships, dues, and subscriptions	13,770		5,612	19,382
Depreciation	486,534		538,353	1,024,887
Total operating expenses	<u>2,451,477</u>		<u>1,867,852</u>	<u>4,319,329</u>
Operating income	<u>947,744</u>		<u>718,539</u>	<u>1,666,283</u>
NONOPERATING REVENUES (EXPENSES):				
Property taxes		\$ 3,740		3,740
Federal revenue			42,430	42,430
State revenue	73,245			73,245
Interest earnings	9,868	71	11,704	21,643
Interest expense	(99,523)	(2,308)	(92,722)	(194,553)
Loss on disposal of capital assets	(42,721)			(42,721)
Amortization	(29,315)		(5,083)	(34,398)
Other expenses	(48,493)		(4,375)	(52,868)
Other income	13,111		3,039	16,150
Total nonoperating revenues	<u>(123,828)</u>	<u>1,503</u>	<u>(45,007)</u>	<u>(167,332)</u>
INCOME BEFORE CAPITAL ACTIVITY	<u>823,916</u>	<u>1,503</u>	<u>673,532</u>	<u>1,498,951</u>
CAPITAL ACTIVITY:				
Grant revenue	1,946,388			1,946,388
State revenue			383,164	383,164
Total capital activity	<u>1,946,388</u>		<u>383,164</u>	<u>2,329,552</u>
Change in net position	2,770,304	1,503	1,056,696	3,828,503
Net position - beginning	<u>6,310,757</u>	<u>13,287</u>	<u>4,968,814</u>	<u>11,292,858</u>
Net position - ending	<u>\$ 9,081,061</u>	<u>\$ 14,790</u>	<u>\$ 6,025,510</u>	<u>\$ 15,121,361</u>

The accompanying notes are an integral part of these financial statements.

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2021

	Business-type Activities			Totals
	Enterprise Funds			
	Water Fund	Davis-Grunsky Fund	Sewer Fund	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 3,227,447		\$ 2,538,517	\$ 5,765,964
Cash payments to suppliers for goods and services	(1,128,959)	\$ (3,485)	(586,380)	(1,718,824)
Cash payments to/on behalf of employees	<u>(1,212,921)</u>		<u>(898,581)</u>	<u>(2,111,502)</u>
Net cash provided (used) by operating activities	<u>885,567</u>	<u>(3,485)</u>	<u>1,053,556</u>	<u>1,935,638</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash received from grants	73,245		42,430	115,675
Cash received from taxes and assessments		3,740		3,740
Cash received from other nonoperating	13,113		3,039	16,152
Cash payments for other nonoperating	<u>(23,493)</u>		<u>(4,375)</u>	<u>(27,868)</u>
Net cash provided by non-capital and related financing activities	<u>62,865</u>	<u>3,740</u>	<u>41,094</u>	<u>107,699</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Cash received from grants	1,946,388		383,164	
Purchase of capital assets	(2,450,806)		(672,489)	(3,123,295)
Interest paid on long-term debt	(142,184)	(194)	(98,345)	(240,723)
Principal paid on long-term debt	(540,573)	(3,812)	(305,473)	(849,858)
Payment to refunding escrow agent	(3,569,312)			(3,569,312)
Cost of issuance	(25,000)			(25,000)
Proceeds from refunding debt	<u>2,899,179</u>			<u>2,899,179</u>
Net cash used by capital and related financing activities	<u>(1,882,308)</u>	<u>(4,006)</u>	<u>(693,143)</u>	<u>(4,909,009)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest on investments	<u>9,868</u>	<u>71</u>	<u>11,704</u>	<u>21,643</u>
Net increase (decrease) in cash and cash equivalents	(924,008)	(3,680)	413,211	(2,844,029)
Cash and cash equivalents - beginning of year	<u>4,847,545</u>	<u>18,893</u>	<u>3,546,973</u>	<u>8,413,411</u>
Cash and cash equivalents - end of year	<u>\$ 3,923,537</u>	<u>\$ 15,213</u>	<u>\$ 3,960,184</u>	<u>\$ 5,569,382</u>

(Continued)

GROVELAND COMMUNITY SERVICES DISTRICT

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2021 (Continued)

	Business-type Activities Enterprise Funds			Totals
	Water Fund	Davis-Grunsky Fund	Sewer Fund	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income	\$ 947,744		\$ 718,539	\$ 1,666,283
Reconciliation of operating income to net cash provided (used) by operating activities				
Depreciation expense	486,534		538,353	1,024,887
(Increase) decrease in:				
Accounts receivable	(166,840)		(47,874)	(214,714)
Due from other funds	(60,529)	(3,485)		(64,014)
Deferred outflows of resources	54,735		(28,620)	26,115
Increase (decrease) in:				
Accounts payable and accrued liabilities	20,655		110	20,765
Due to other funds			61,091	61,091
Deposits payable	(4,934)		(1,500)	(6,434)
Compensated absences	29,788		25,566	55,354
Net pension liability	(152,489)		(156,452)	(308,941)
Net OPEB obligation	(17,127)		(6,025)	(23,152)
Deferred inflows of resources	(251,970)		(49,632)	(301,602)
Net cash provided (used) by operating activities	\$ 885,567	\$ (3,485)	\$ 1,053,556	\$ 1,935,638

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING POLICIES

The basic financial statements of the Groveland Community Services District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The District was formed in 1953, pursuant to the Community Services District Law of the State of California (Division 2 of Title 6 of the Government Code, Section 61600). The District provides water, sewer, fire, and park services throughout the District. The District's financial and administrative functions are governed by a Board of Directors (the Board) elected by the voting population within the District. The District is a separate legal reporting entity in Tuolumne County.

The District has reviewed criteria to determine whether other entities with activities that benefit the District should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), the scope of public service, and a special financing relationship.

The District has determined that no other outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the District's financial statements. In addition, the District is not aware of any entity that would exercise such oversight responsibility that would result in the District being considered a component unit of that entity.

C. BASIS OF PRESENTATION

Government-wide financial statements – The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of proprietary fund financial statements, but differs from the manner in which the governmental fund financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function. Certain indirect expenses are allocated to the funds based on relative percentages. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

meeting the operational requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements – Fund financial statements report more detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds include a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures, and changes in fund balances, which reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses, and changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

D. BASIS OF PRESENTATION

Basis of accounting refers to when transactions are recorded in the financial records and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental fund financial statements use the modified accrual basis of accounting. Proprietary uses the accrual basis of accounting.

Expenses/Expenditures – Under the accrual basis of accounting, expenses are recognized at the time they are incurred. However, the measurement focus of governmental fund accounting is on decreases in the net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized on governmental fund financial statements.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available for use, it is the District's policy to first apply the expenditure toward restricted fund balance and then to other, less restrictive classifications - committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

E. FUND ACCOUNTING

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District's accounts are organized into major funds as follows:

Major Governmental Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific purposes. The District maintains the following major special revenue funds:

The **Fire Protection Fund** is used to account primarily for property taxes allocated for fire protection services throughout the District.

The **Parks and Recreation Fund** is used to account primarily for property taxes allocated for recreation services throughout the District.

Major Proprietary Funds

Proprietary Funds – Enterprise Funds are used to account for a government's ongoing operation and activities that are similar to businesses found in the private sector. These funds are considered self-supporting in that the services rendered by them are generally financed through user charges. The District maintains the following major proprietary funds:

The **Water Fund** is used to account for all activity associated with water services throughout the District.

The **Davis-Grunsky Fund** is used to account for all activity associated with the Davis-Grunsky loans.

The **Sewer Fund** is used to account for all activity associated with waste water services throughout the District.

F. BUDGET AND BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all of the District's governmental funds. By State Law, the Board must approve a tentative budget no later than June 30 and adopt a final budget no later than August 31. A public hearing must be conducted to receive comments prior to adoption.

These budgets are revised by the Board during the fiscal year to give consideration to unanticipated income and expenditures. The original and final revised budgets for the Fire Protection and Parks and Recreation funds are presented as required supplementary information in these financial statements.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

G. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflow of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual amounts could differ from those estimates.

H. CASH AND EQUIVALENTS

The District considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

I. CAPITAL ASSETS

Purchased capital assets are stated at historical cost or estimated historical cost when original cost is not available. Donated capital assets are recorded at their estimated fair value at the date of donation. The District's policy is to capitalize all capital assets with costs exceeding a minimum threshold of \$2,500. Depreciation is recorded using the straight-line method over the estimated useful lives of the capital assets. The estimated useful lives are as follows:

Structures and Buildings	20-50 years
Improvements	10-50 years
Furnishings and Equipment	3-10 years
Vehicles	5-20 years

J. DEFERRED OUTFLOW/INFLOWS OF RESOURCES

In addition to assets, liabilities and net position, the statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of resources that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Conversely, deferred inflows of resources represent an acquisition of resources that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The District's deferred amount on debt refunding, resulting from the difference in the carrying value and reacquisition price of the refunded debt, is reported as deferred outflows of resources and is amortized over the shorter of the life of the refunded debt or refunding bond.

Contributions made to the District's pension and OPEB plan(s) after the measurement date but before the fiscal year end are recorded as a deferred outflow of resources and will reduce the net pension liability and total OPEB liability in the next fiscal year.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Additional factors involved in the calculation of the District's pension and OPEB expenses and liabilities include the differences between expected and actual experience, changes in assumptions, differences between projected and actual investment earnings, changes in proportion, and differences between the District's contributions and proportionate share of contributions. These factors are recorded as deferred outflows and inflows of resources and amortized over various periods. See Notes 5 and 6 for further details related to these pension and OPEB deferred outflows and inflows.

K. PENSIONS

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's portion of the California Public Employees' Retirement System (CalPERS) Miscellaneous plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's (OPEB Plan) and additions to/deductions from OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	July 1, 2020
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

M. COMPENSATED ABSENCES

An employee accumulates vacation and sick leave time in accordance with the personnel policies handbook. Vacation and sick time vested and accrued depends on years of service and date of hire by the District. Vacation may be accumulated up to 8 weeks and is paid in full upon termination or retirement. Employee can accumulate up to 300 hours of sick leave, but unused sick leave is compensable at one half the total sick time accrued upon termination or retirement.

N. FUND BALANCES

Committed fund balances are set aside for specific purposes by the District's highest level of decision-making authority (the Board) pursuant to formal actions taken, such as a majority vote or resolution. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specific use through the same type of formal action taken to establish the commitment.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

O. PROPERTY TAXES

The District receives property taxes from the County of Tuolumne (County), which has been assigned the responsibility for assessment, collection, and apportionment of property taxes for all taxing jurisdictions within the County. Secured property taxes are levied on January 1 for the following fiscal year and on which date it becomes a lien on real property. Secured property taxes are due in two installments, on November 1 and February 1, and are delinquent after December 10 and April 10.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid by August 31. Property tax revenues are recognized in the fiscal year they are received.

Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the District, eliminating the need for an allowance for uncollectible accounts. The County, in return, receives all penalties and interest on the related delinquent taxes.

P. LONG-TERM OBLIGATIONS

The District reports long-term obligations of governmental funds at face value in the government-wide financial statements. Long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements and the government-wide financial statements.

2. CASH AND EQUIVALENTS

All Cash and equivalents as of June 30, 2021, \$9,356,282, are classified in the accompanying financial statements as unrestricted.

Cash and equivalents as of June 30, 2021, consist of the following:

Cash with financial institutions	\$ 2,864,865
Cash on hand	500
Cash and equivalents with LAIF	4,587,152
Money market	<u>1,903,765</u>
Total cash and equivalents	<u>\$ 9,356,282</u>

Local Agency Investment Fund

The District is a voluntary participant the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. Separate complete financial statements are available at P.O. Box 942809, Sacramento, CA 94209-0001.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized per the District's investment policy and allowed per the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Reverse Repurchase Agreements & Securities Lending Agreements	92 days	20 % of the base value of the portfolio	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	None
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	None
Time Deposits	5 years	None	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$50 Million

Investments Authorized by Debt Agreements

Investments held by trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the District's investment policy. The table below identifies the investment types that are authorized for investments held by trustees. The table also identifies certain provisions of the debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Investment pools authorized under CA Statutes governed by Government Code	N/A	None	\$50 million
U.S. Treasury Obligations/Bills	5 years	None	None
Bank Savings Account	N/A	25%	None
Federal Agencies	5 years	75%	None
Commercial Paper	180 days	20%	None
Negotiable Certificates of Deposit	180 days	20%	None
Re-purchase Agreements	180 days	20%	None
Corporate Debt	5 years	25%	None
Money Market Accounts	N/A	None	None

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District has no investments that are highly sensitive to interest rate fluctuations.

Derivative Investments

The District did not directly enter into any derivative investments. Information regarding the amount invested in derivatives by the County Treasury was not available.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer. There are no investments (other than U.S. Treasury securities, mutual funds, and external investment pools) in any one issuer that represents 5% or more of total District investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits that are made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amounts deposited by the public agencies.

District deposits held with financial institutions and with fiscal agents in excess of federal depository insurance limits are in accounts collateralized by securities held by the pledging financial institution that total \$4,642,599.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

3. CAPITAL ASSETS

Governmental Activities:

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance	Additions	Deductions	Balance
	July 1, 2020			June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 48,044			\$ 48,044
Construction in Progress	7,213	\$ 11,115	\$ (6,451)	11,877
Total capital assets, not being depreciated	<u>55,257</u>	<u>11,115</u>	<u> </u>	<u>59,921</u>
Capital assets, being depreciated:				
Structures and improvements	1,164,922	65,595		1,230,517
Furnishings & Equipment	297,418	10,070		307,488
Vehicles	707,754			707,754
Total capital assets, being depreciated	2,170,094	75,665		2,245,759
Total accumulated depreciation	<u>(1,470,654)</u>	<u>(70,095)</u>	<u> </u>	<u>(1,540,749)</u>
Total capital assets, being depreciated, net	<u>699,440</u>	<u>5,570</u>	<u> </u>	<u>705,010</u>
Governmental activities capital assets, net	<u>\$ 754,697</u>	<u>\$ 16,685</u>	<u>\$ (6,451)</u>	<u>\$ 764,931</u>

For the year ended June 30, 2021, depreciation expense was charged to functions as follows:

Governmental activities:	
Public safety	\$ 50,506
Parks and recreation	<u>19,589</u>
Total depreciation expense	<u>\$ 70,095</u>

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Business-Type Activities:

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Capital assets, not being depreciated:				
Land	\$ 420,392			\$ 420,392
Construction in progress	1,352,615	\$ 2,536,394	\$ (130,573)	3,758,436
Total capital assets, not being depreciated	<u>1,773,007</u>	<u>2,536,394</u>	<u>(130,573)</u>	<u>4,178,828</u>
Capital assets, being depreciated:				
Structures and improvements	31,705,905	118,005		31,823,910
Equipment	2,563,213	392,646	(234,023)	2,721,836
Vehicles	701,757	207,222	(22,624)	886,355
Total capital assets, being depreciated	<u>34,970,875</u>	<u>717,873</u>	<u>(256,647)</u>	<u>35,432,101</u>
Total accumulated depreciation	<u>(23,730,104)</u>	<u>(1,024,887)</u>	<u>213,525</u>	<u>(24,541,466)</u>
Total capital assets, being depreciated, net	<u>11,240,771</u>	<u>(307,014)</u>	<u>(43,122)</u>	<u>10,890,635</u>
Business-type activities capital assets, net	<u>\$ 13,013,778</u>	<u>\$ 2,229,380</u>	<u>\$ (173,695)</u>	<u>\$ 15,069,463</u>

4. LONG-TERM DEBT

Long-term liability activity for the governmental activities the year ended June 30, 2021 was as follows:

Governmental Activities	Balance at June 30, 2020	Additions	Retirements	Balance at June 30, 2021	Due within one year
Compensated absences	\$ 8,265	\$ 4,166		\$ 12,431	\$ 12,431
Net OPEB obligation	65,638		\$ (29,064)	36,547	
Net pension liability	110,806	485,857		596,663	
Total	<u>\$ 184,709</u>	<u>\$ 490,023</u>	<u>\$ (29,064)</u>	<u>\$ 645,668</u>	<u>\$ 12,431</u>

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Long-term liability activity for the business-type activities the year ended June 30, 2021 was as follows:

<u>Business-type Activities</u>	<u>Balance at June 30, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at June 30, 2021</u>	<u>Due within one year</u>
February 2014 Revenue Refunding Bonds	\$ 2,463,198		\$ (2,463,198)		
2013 Installment Sale Agreement	1,646,687		(1,646,687)		
Davis-Grunsky Act loans	5,606		(1,698)	\$ 3,908	\$ 3,908
2019 Wastewater Installment Sale	1,506,452		(55,836)	1,450,616	57,722
2019 Wastewater Refunding	1,752,272		(249,637)	1,502,635	254,371
2021 Water Refunding		\$ 2,899,179		2,899,179	449,783
Net OPEB obligation	352,694		(23,152)	329,542	
Net pension liability	2,466,019		(308,941)	2,157,078	
Compensated absences	109,812	55,354		165,166	165,166
Total	<u>\$ 10,302,740</u>	<u>\$ 2,954,533</u>	<u>\$ (4,749,149)</u>	<u>\$ 8,508,124</u>	<u>\$ 930,950</u>

The District entered into an Installment Sale Agreement, dated February 1, 2013 (2013 Installment Sale Agreement) in the amount of \$3,117,831, with an interest rate of 3.7%, to refund the 1998 Installment Sale Agreement causing the prepayment by the Groveland/Tuolumne Financing Authority of all of the outstanding Groveland/ Tuolumne Financing Authority Groveland Capital Facilities Refunding Revenue Bonds Issue of 1998 (1998 Bonds.) Payments are due semiannually on July 10 and January 10. Final maturity is on January 10, 2026. This bond was fully refunded January 2021 with the 2021 Water Refunding bonds as noted below and is considered legally defeased.

The District issued the Water Revenue Refunding Bonds, Series 2014, dated February 1, 2014 (February 2014 Revenue Refunding Bonds) in the amount of \$4,024,000, with an interest rate of 3.65%, to refund the May 2007 Installment Sale Agreement. Payments are due semiannually on July 10 and January 10. This bond was fully refunded January 2021 with the 2021 Water Refunding bonds as noted below and is considered legally defeased.

The District issued the 2019 Wastewater Revenue Refunding Bonds (2019 Wastewater Refunding) dated December 10, 2019 in the amount of \$1,906,811 with an interest rate of 2.840% to current refund the Wastewater Revenue Refunding Bonds, Series 2014 bonds (2014 Wastewater Revenue Refunding). Payments are due semiannually on July 10 and January 10. Final maturity is on July 20, 2026.

The District issued the 2019 Wastewater Revenue Installment Sale Agreement (2019 Wastewater Installment Sale) dated December 10, 2019 in the amount of \$1,511,053, with an interest rate of 3.350% for the immediate replacement and improvement of the Wastewater Treatment Plant Headworks, recycled wastewater irrigation system and wastewater collection system lift station #2. Payments are due semiannually on July 10 and January 10. Final maturity is on July 10, 2039.

The District issued the 2021 Water Refunding Bonds (2021 Water Refunding) dated January 4, 2021 in the amount of \$3,128,540 with an interest rate of 2.350% to current refund the 2013 Installment Sale Agreement and Water Revenue Refunding Bonds, Series 2014. Payments are due semiannually on July

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

10 and January 10. Final maturity is on July 10, 2027. The refunding reduced the District's debt service payments by \$887,084 and provided for an economic gain (difference between the present value of the old and new debt service payments) of approximately \$126,733 in aggregate.

Other Long-Term Debt

The District entered into a David-Grunsky Act Loan in the amount of \$102,000 with an interest rate of 2.5%, payable semiannually, principal payable annually on December 1. Final maturity is on December 1, 2021. As of June 30, 2021, the principal balance was \$3,908.

Annual debt service requirements for the business-type activities are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 765,785	\$ 154,545	\$ 920,330
2023	782,859	134,640	917,499
2024	803,140	114,211	917,351
2025	822,780	93,262	916,042
2026	953,013	71,799	1,024,812
2027-2031	951,494	177,093	1,128,587
2032-2036	430,455	98,735	529,190
2037-2040	346,812	23,623	370,435
Total	<u>\$ 5,856,338</u>	<u>\$ 867,908</u>	<u>\$ 6,724,246</u>

5. DEFINED BENEFIT PENSION PLAN

The District provides pension benefits to its employees through the California Public Employees' Retirement System (CalPERS) Miscellaneous Plan, a public agency cost-sharing multiple-employer defined benefit pension plan. CalPERS is an agency of the State of California. Qualified employees are covered under the Miscellaneous 2.7% at 55 for classic employees and 2% at 62 for PEPRA employees in the Risk Pool (the Plan). CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. This report is available online at www.calpers.ca.gov.

Benefits Provided

The benefits for the Plan are established by contract with CalPERS, in accordance with the provisions of the California Public Employees' Retirement Law (PERL). The benefits are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. To be eligible for service retirement, members must be at least 50 and a minimum of five years of CalPERS-credited service. Members after January 1, 2013 must be at least 52.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Contributions

Section 20814(c) of the PERL requires employer contribution rates for all public employers be determined on an annual basis by the actuary and are effective on the July 1 following notice of a change in the rate. The contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is based on the estimated amount necessary to pay the Plans allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The District's required contribution rate on covered payroll for the period ended June 30, 2021 for the PEPRA and miscellaneous plan were 7.732% and 14.194% of annual pay, respectively. Employer contributions rates may change if the Plan contract is amended.

Pension Liabilities, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

The District's Net Pension Liability (NPL) for the Plan is measured as the proportionate share of the NPL. The NPL of the Plan is measured as of June 30, 2020 for the year ended June 30, 2021. The total pension liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. As of June 30, 2021, the District's proportionate share of the Plan's net pension liability (NPL) was \$2,753,741.

Using the District's individual employer rate plan's share of the risk pool TPL and Fiduciary Net Position (FNP), the proportionate shares of the TPL and FNP at the measurement date are determined for the District by the actuary. The District's employer allocation factor for the Plan as of June 30, 2020 was as follows:

	Plan
Proportion - June 30, 2020	0.065284%
Proportion - June 30, 2019	0.064348%
Change - increase (decrease)	0.000936%

For the year ended June 30, 2021, the District recognized pension expense of \$384,734. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 141,908	
Changes in assumptions		\$ (19,641)
Net differences between projected and actual investment earnings of pension plan investments	81,804	
Change in proportions	40,765	(13,137)
Change in proportionate share of contributions	24,090	(16,921)
Pension contributions subsequent to measurement date	352,913	
Total	\$ 641,480	\$ (49,699)

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

The \$352,913 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ending June 30, 2022. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended</u> <u>June 30</u>			
2022	\$	31,772	
2023		94,334	
2024		73,525	
2025		39,236	

Actuarial Assumptions

For the measurement period ended June 30, 2020 (the measurement date), the TPL was determined by rolling forward the June 30, 2019 TPL. The June 30, 2019 TPL amounts were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' Membership data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

⁽¹⁾ The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016.

Discount Rate

The discount rate used to measure the TPL was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as followed:

<u>Asset Class⁽¹⁾</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 – 10⁽²⁾</u>	<u>Real Return Years 11+⁽³⁾</u>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

- (1) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (2) An expected inflation of 2.00% was used for this period.
- (3) An expected inflation of 2.92% was used for this period.

Sensitivity of the District's Proportional Share of the NPL to Changes in the Discount Rate

The following presents the District's Proportional Share of the NPL of the Plan as of the measurement date, calculated using the discount rate of 7.15%, as well as what the District's Proportional Share of the NPL would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	<u>Discount Rate – 1%</u>	<u>Current Discount Rate</u>	<u>Discount Rate + 1%</u>
District's Proportionate Share of Plan's NPL	\$ 4,397,500	\$ 2,753,741	\$ 1,395,554

Recognition of Gains and Losses

Under GASB Statement No. 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period

6. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The District has established a retiree healthcare plan that provides other postemployment health, dental, and vision care benefits for eligible retired employees and their dependents through the retiree healthcare plan (the Plan). The District, through the authorization of their Board of Directors, elected to establish an irrevocable trust for the Plan through the California Employers' Retiree Trust (CERBT) fund, an agent multiple-employer plan, administered by CalPERS. The CERBT has pooled administrative and investment functions, while separate employer accounts are maintained to prefund and pay for health care or other postemployment benefits in accordance with the terms of the participating employers' plans. The CERBT offers three investment strategies for employers to choose from depending on their expected levels of return and volatility. Benefit provisions are established by the District.

Benefits Provided

Employees who, 1) retire from the District after at least the minimum number of years of service, as specified by their contract with the District, and 2) who continue health insurance through a District-sponsored health insurance plan, will continue to pay their health insurance premium, at the same level of benefits as the retiree had at the time of retirement. The District will also continue contributing to the retirees Health Savings Account, until the retiree reaches the age of 65, after which, the retiree shall receive the Medicare Supplement insurance coverage.

Employees Covered

As of the July 1, 2019 actuarial valuation, the following inactive and active employees were covered by the benefit terms under the OPEB Plan:

Inactive employees receiving benefits	14
Inactive employees entitled to but not receiving benefits	0
Participating active employees	<u>8</u>
Total	<u><u>22</u></u>

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Contributions

The District provides benefits on a pay-as-you-go basis. The District's policy is to prefund their benefits from time to time at the sole discretion of the Board by accumulating assets in the CERBT. The District's employees are not required to contribute to the plan.

Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined using the Alternative Measurement Method with a valuation date of July 1, 2019 (June 30, 2019). Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:

Salary increases	3.00%
Inflation rate	3.00%
Investment rate of return	6.00%, net of OPEB plan investment expense
Health care cost trend rates	5.90% for 2020; 5.80% for 2021; decreasing 0.10 percent each year to an ultimate rate of 5.00 percent for 2029 and later years

Pre-retirement mortality rates were based on the PR-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the July 1, 2019 valuation were based on a review of plan experience during the period July 1, 2017 to June 30, 2019.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. The calculated investment rate of return was set equal to the expected ten-year compound (geometric) real return plus inflation (rounded to the nearest 25 basis points, where appropriate). The table below provides the long-term expected real rates of return by asset class (based on published capital market assumptions).

Changes in Assumptions:

In measurement period June 30, 2020, there were no changes in assumptions or in the discount rate.

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

The CERBT offers three diversified allocation strategies. The District has elected to participate in CERBT's Strategy 3 which has the lowest long-term expected rate of return and return volatility. The following table shows the target asset allocation for employers participating in CERBT Strategy 3:

Asset Class	Assumed Asset Allocation	Real Rate of Return
Global ex-U.S. Equity	22%	5.5%
U.S Fixed	49%	1.5%
TIPS	16%	1.2%
Real Estate	8%	3.7%
Commodities	5%	0.6%
Total	100%	

For the June 30, 2020 measurement date, the annual money-weighted rate of return on investments, net of investment expense, was 6.32 percent. The money-weighted rate of return expenses investment performance, net of investment expense, adjusted for the changing amounts invested.

Discount Rate

Accounting standards for OPEB require a discount rate that reflects the following:

- a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments. The discount rate used to measure the District's total OPEB liability at June 30, 2021 is based on these requirements and the following information:

Measurement Date	Long-Term Expected Return on Plan Investments (if any)	Municipal Bond 20-Year High Grade Rate Index	Discount Rate
June 30, 2020	6.00%	2.45%	6.00%

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Changes in the Net OPEB Liability

The changes in the Net OPEB liability for the OPEB Plan are as follows:

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (TOL) (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a)-(b)</u>
Balance at June 30, 2020 (Measurement date June 30, 2019)	\$ 1,487,689	\$ 1,069,357	\$ 418,332
Changes recognized for the measurement period:			
Service cost	31,442		31,442
Interest on TOL	88,057		88,057
Difference between expected and actual experience			
Changes in assumptions			
Contributions—employer		104,561	(104,561)
Actual investment income		67,685	(67,685)
Benefit payments	(104,561)	(104,561)	
Administrative expense		(531)	531
Net changes	<u>14,938</u>	<u>67,154</u>	<u>(52,216)</u>
Balance at June 30, 2021 (Measurement date June 30, 2020)	<u>\$ 1,502,627</u>	<u>\$ 1,136,511</u>	<u>\$ 366,116</u>

Sensitivity of the District's Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	<u>Discount Rate – 1% (5.00%)</u>	<u>Current Discount Rate (6.00%)</u>	<u>Discount Rate +1% (7.00%)</u>
Net OPEB liability	\$ 543,545	\$ 366,116	\$ 218,212

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

Sensitivity of the District's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	<u>Health Care Trend Rate – 1% (4.00%)</u>	<u>Health Care Trend Rate (5.00%)</u>	<u>Health Care Trend Rate +1% (6.00%)</u>
Net OPEB liability	\$ 195,974	\$ 366,116	\$ 574,268

OPEB plan fiduciary net position

Detailed information about the Plan's fiduciary net position is available on CalPER's website in an annual report titled "California Employers' Retiree Benefit Trust, Agent Multiple-Employer Other Postemployment Benefits Plan, Schedule of Changes in Fiduciary Net Position by Employer". Additionally, CalPERS annually issues a Comprehensive Annual Financial Report which includes the CERBT fund's financial .

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net differences between projected and actual earnings on OPEB Trust investments	5 years
All other amounts	3.9 years, Expected average remaining service lives (EARSL) of plan participants

GROVELAND COMMUNITY SERVICES DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021

OPEB Expense and Deferred Outflows/Inflows Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of (\$307,683). At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 93,124	
Change in assumptions		\$ (45,302)
Differences between expected and actual experience		(729,052)
Net difference between projected and actual return on investments	3,948	
Total	\$ 97,072	\$ (774,354)

The \$93,124 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2020 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2022	\$ (364,286)
2023	(367,247)
2024	(38,277)
2025	(596)

7. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries insurance. The District is a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority, created pursuant to California Government Code Sections 6500 et. seq., effective July 1, 2006. During its membership, the general and auto liability, employee dishonesty coverage, property loss, boiler and machinery, public officials' personal liability, workers' compensation coverage and employer's liability policies were in effect, with excess coverage for general and auto liability, and errors and changes of \$10 million. Following is SDRMA's summary financial information as of June 30, 2020:

Total Assets	\$ 130,676,871		
Total Deferred Outflows of Resources	595,599	Total Operating Revenues	\$ 76,284,929
Total Liabilities	(70,083,643)	Total Operating Expenses	(77,599,711)
Total Deferred Inflows of Resources	(246,193)	Total Nonoperating income	5,892,853
Total Net Position	\$ 60,942,634	Change in Net Position	\$ 4,578,071

REQUIRED SUPPLEMENTARY INFORMATION

GROVELAND COMMUNITY SERVICES DISTRICT

**BUDGETARY COMPARISON SCHEDULE
FIRE PROTECTION FUND
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Property taxes	\$ 1,108,503	\$ 1,108,503	\$ 1,163,960	\$ 55,457
Interest earnings	10,000	10,000	4,518	(5,482)
Grant revenue	166,300	164,650	140,112	(24,538)
State revenue	20,500	79,605	136,239	56,634
Other revenue		1,600	3,300	1,700
Total revenues	<u>1,305,303</u>	<u>1,364,358</u>	<u>1,448,129</u>	<u>83,771</u>
EXPENDITURES:				
Public safety	1,875,847	1,668,885	1,316,278	352,607
Capital outlay	<u>21,125</u>	<u>81,358</u>	<u>78,089</u>	<u>3,269</u>
Total expenditures	<u>1,896,972</u>	<u>1,750,243</u>	<u>1,394,367</u>	<u>355,876</u>
Net change in fund balance	(591,669)	(385,885)	53,762	439,647
Fund balances - beginning	<u>897,485</u>	<u>897,485</u>	<u>897,485</u>	
Fund balances - ending	<u>\$ 305,816</u>	<u>\$ 511,600</u>	<u>\$ 951,247</u>	<u>\$ 439,647</u>

GROVELAND COMMUNITY SERVICES DISTRICT

**BUDGETARY COMPARISON SCHEDULE
PARKS AND RECREATION FUND
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Property taxes	\$ 96,390	\$ 96,390	\$ 101,214	\$ 4,824
Interest earnings	4,000	4,000	1,591	(2,409)
Charges for services	2,000	2,000	2,778	778
Other revenue	<u>42,000</u>	<u>42,000</u>	<u>89,000</u>	<u>47,000</u>
Total revenues	<u>144,390</u>	<u>144,390</u>	<u>194,583</u>	<u>50,193</u>
EXPENDITURES:				
Parks and recreation	112,283	131,520	96,773	34,747
Capital outlay	<u>13,895</u>	<u>13,942</u>	<u>2,233</u>	<u>11,709</u>
Total expenditures	<u>126,178</u>	<u>145,462</u>	<u>99,006</u>	<u>46,456</u>
Net change in fund balance	18,212	(1,072)	95,577	96,649
Fund balances - beginning	<u>114,362</u>	<u>114,362</u>	<u>114,362</u>	
Fund balances - ending	<u>\$ 132,574</u>	<u>\$ 113,290</u>	<u>\$ 209,939</u>	<u>\$ 96,649</u>

GROVELAND COMMUNITY SERVICES DISTRICT

SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS FOR THE MEASUREMENT PERIOD ENDED JUNE 30, LAST 10 YEARS*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
TOTAL OPEB LIABILITY				
Service cost	\$ 31,442	\$ 32,296	\$ 122,616	\$ 119,046
Interest	88,057	173,050	160,907	151,247
Differences between expected and actual experience		(1,423,388)		
Changes of assumptions		(88,448)		
Benefit payments	<u>(104,561)</u>	<u>(113,741)</u>	<u>(113,141)</u>	<u>(105,560)</u>
NET CHANGE IN TOTAL OPEB LIABILITY	14,938	(1,420,231)	170,382	164,733
TOTAL OPEB LIABILITY, Beginning	<u>1,487,689</u>	<u>2,907,920</u>	<u>2,737,538</u>	<u>2,572,805</u>
TOTAL OPEB LIABILITY, Ending (a)	<u>1,502,627</u>	<u>1,487,689</u>	<u>2,907,920</u>	<u>2,737,538</u>
PLAN FIDUCIARY NET POSITION				
Contributions—employer	104,561	298,741	295,909	286,010
Net investment income	67,685	59,152	28,892	15,864
Benefit payments	(104,561)	(113,741)	(113,141)	(105,560)
Trustee fees			(814)	
Administrative expense	<u>(531)</u>	<u>(179)</u>	<u>(319)</u>	<u>(218)</u>
NET CHANGE IN PLAN FIDUCIARY NET POSITION	67,154	243,973	210,527	196,096
PLAN FIDUCIARY NET POSITION, Beginning	<u>1,069,357</u>	<u>825,384</u>	<u>614,857</u>	<u>418,761</u>
PLAN FIDUCIARY NET POSITION, Ending (b)	<u>1,136,511</u>	<u>1,069,357</u>	<u>825,384</u>	<u>614,857</u>
DISTRICT'S NET OPEB LIABILITY, Ending (a) - (b)	<u>\$ 366,116</u>	<u>\$ 418,332</u>	<u>\$ 2,082,536</u>	<u>\$ 2,122,681</u>
Plan fiduciary net position as a percentage of the total				
OPEB liability	75.63%	71.88%	28.38%	22.46%
Covered-employee payroll	\$ 473,494	\$ 469,796	\$ 595,041	\$ 677,904
District's net OPEB liability as a percentage of covered-employee payroll	77.32%	89.05%	349.98%	313.12%

Notes to Schedule:

There were no changes to benefit terms or assumptions during the measurement period ending June 30, 2020, 2018 or 2017. For the measurement date ended June 30, 2019, the healthcare cost trend rate changed from 5% for 2018 and later years to 6.00% for 2019 decreasing 0.10 percent each year to an ultimate rate of 5.00 percent for 2029 and later years.

* Fiscal year 2018 was the 1st year of implementation, therefore only four years are presented.

GROVELAND COMMUNITY SERVICES DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AS OF JUNE 30, LAST 10 YEARS*

	Measurement Date						
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.065284%	0.064348%	0.063390%	0.061405%	0.061035%	0.059813%	0.048550%
District's proportionate share of the net pension liability	\$ 2,753,741	\$ 2,576,825	\$ 2,388,940	\$ 2,420,627	\$ 2,120,274	\$ 1,640,950	\$ 1,199,800
District's covered-employee payroll	\$ 1,097,703	\$ 758,439	\$ 819,134	\$ 832,387	\$ 704,247	\$ 909,010	\$ 898,662
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	250.86%	339.75%	291.64%	290.81%	301.07%	180.52%	133.51%
Plan fiduciary net position as a percentage of the total pension liability	75.10%	75.26%	75.26%	73.31%	74.06%	78.40%	81.15%

Notes to Schedule:

Change of benefit terms – There have been no changes to the benefit terms.

Changes in assumptions – GASB 68 states that the long-term expected rate of return should be determined net pension plan investment expenses, but without reduction for pension plan administrative expense. The discount rate changed from 7.50% (net of administrative expenses in 2014) to 7.65% as of the June 30, 2015 measurement date to correct the adjustment, which previously reduced the discount rate for administrative expenses. For the measurement period ended June 30, 2020, 2019, 2018, 2016 and 2014, there were no changes in assumptions. As of June 2017 measurement date the financial reporting discount rate for the PERF C was lowered from 7.65% to 7.15%.

* Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.

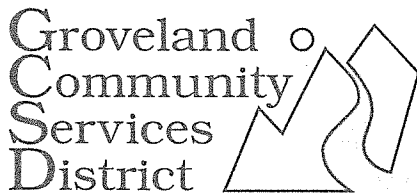
GROVELAND COMMUNITY SERVICES DISTRICT

SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS

AS OF JUNE 30,
LAST 10 YEARS*

	Fiscal Year						
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (actuarially determined)	\$ 355,314	\$ 296,831	\$ 231,810	\$ 199,766	\$ 184,529	\$ 157,772	\$ 96,691
Contributions in relation to the contractually required contributions	<u>(355,314)</u>	<u>(296,831)</u>	<u>(231,810)</u>	<u>(199,766)</u>	<u>(184,529)</u>	<u>(157,772)</u>	<u>(96,691)</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered-employee payroll	\$ 1,272,283	\$ 1,097,703	\$ 758,439	\$ 819,134	\$ 832,387	\$ 704,247	\$ 909,010
Contributions as a percentage of covered-employee payroll	27.93%	27.04%	30.56%	24.39%	22.17%	22.40%	10.64%

* Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.



G.C.S.D. Services - 209 / 962-7161

Fax - 209 / 962-4943

Fire Department - 209 / 962-7891

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18966 Ferretti Road P.O. Box 350 Groveland, CA 95321-0350

December 17, 2021

Bryant L. Jolley, CPA
901 "N" Street, Suite 104
Firebaugh, California 93622

This representation letter is provided in connection with your audit(s) of the financial statements of Groveland Community Services District, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows for the fiscal year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 17, 2021, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 30, 2019, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.

- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the District Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the District and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

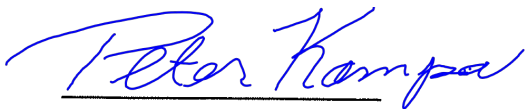
Government-specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the

financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.

- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements and related notes and schedule of expenditures of federal awards. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.
- 28) In regard to the preparation of financial statements and related notes and schedule of expenditures of federal awards services performed by you, we have—
 - 1) Assumed all management responsibilities.
 - 2) Designated Pamela Freeman, CPA, who has suitable skill, knowledge, or experience to oversee the services.
 - 3) Evaluated the adequacy and results of the services performed.
 - 4) Accepted responsibility for the results of the services.
- 29) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 32) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34 .
- 33) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 34) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 35) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 36) Provisions for uncollectible receivables have been properly identified and recorded.
- 37) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 38) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 39) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 40) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

- 41) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 42) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 43) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 44) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 45) With respect to the supplementary information, as listed in the table of contents of the financial statements, on which an in-relation-to opinion is issued (e.g., combining statements, individual fund statements).
 - a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.



Peter Kampa, District Manager



TO: GCS D Board of Directors

FROM: Peter J. Kampa, General Manager

DATE: January 11, 2022

SUBJECT: Agenda Item 6B: Adoption of a Resolution Approving an Addendum to the Mitigated Negative Declaration for the Downtown Groveland and Big Oak Flat Sewer Collection System Improvements Project

RECOMMENDED ACTION:

I move to adopt Resolution 04-2022 approving the Addendum to the Mitigated Negative Declaration for the Groveland Community Services District's Downtown Groveland and Big Oak Flat Sewer Collection System Improvements Project (State Clearinghouse #2019059053).

BACKGROUND:

The proposed document recommended for approval is an Addendum to the Groveland Community Service District's Downtown Groveland and Big Oak Flat Sewer Collection System Improvements Project (Approved Project) Mitigated Negative Declaration (IS/MND), adopted in June 2019 (State Clearinghouse #2019059053), by the Groveland Community Services District (District). After filing the Notice of Determination in June 2019 for the Approved Project, minor changes were made to the Project which included adding some additional improvements (pipelines, manholes, staging areas, and other related components). These additional components of the Project were not included in the original IS/MND and thus were evaluated in the Addendum. These additional Project components, when combined with the Approved Project, will result in the installation of approximately 0.6 miles of pipelines using cured-in-place methods and approximately 1.6 miles of open trench replacement pipelines. A total of 65 manholes will be installed, replaced, sealed or rehabilitated.

Use of an Addendum

Because no new significant impacts will result from the modifications to the Project, as described below, it was determined that an Addendum to the previous IS/MND is the appropriate level of CEQA documentation (CEQA Guidelines Sections 15162 and 15164). An Addendum may be prepared if only minor changes are necessary and the environmental and regulatory setting is substantially the same. An Addendum shall be included in or attached to the previous IS/MND.

The District shall conduct a public review, and consider the Addendum along with the previous IS/MND prior to making a decision on the Project. Once adopted, the Addendum, along with the previous IS/MND is placed in the Administrative Record, a Notice of Determination is filed with the Tuolumne County Clerk and the State Clearinghouse, and the CEQA process is complete.

PROPOSED ACTIONS

Project Overview

Groveland CSD proposes to install and replace sewer mains and associated infrastructure in the communities of Big Oak Flat, Groveland, and Pine Mountain Lake. An Engineering Design Report entitled “Downtown Groveland and Big Oak Flat Sewer Collection System Improvements” was prepared by AM Consulting Engineers in May 2017 to address the needed improvements. Additional improvements (such as additional sewer pipelines, manholes and related improvements) were added to the Project and were environmentally evaluated in the Addendum.

The Project is needed to prevent sewer system blockages and sanitary sewer overflows and to provide adequate and reliable sewer service to District customers. The District’s existing treatment and collection system was built in 1941. Significant additions were made in 1982 and the system was last upgraded in 1990. The sewer collection system is aged and some of the older portions of the system experience blockages and require cleaning. The physical condition of some of these sewer lines is suspected to be poor, in some instances they may be beyond their life expectancy and may need to be replaced or rehabilitated. Indicators of these conditions are failing manholes and infiltration and inflow issues in recent years. The District maintains sewer assets in accordance to industry standard practices by performing preventive maintenance on mechanical equipment and pipelines.

Project Description

The following is the Project Description that was included in the original 2019 IS/MND:

“The Project involves sewer system improvements in Big Oak Flat, Groveland and Pine Mountain Lake. Specifically, the Project is broken down as follows:

Sewer system improvements in Big Oak Flat:

- Replace approximately 455 linear feet of 6-inch sewer pipe using open trench excavation methods.
- Rehabilitate approximately 792 linear feet of 6-inch sewer pipe using trenchless cured-in-place methods.
- Perform spot repairs to resolve pipe anomalies at two locations.
- Construct new manholes.
- Bring existing manhole lids up to grade.
- Install sealed or locking manhole lids.

Sewer system improvements in Groveland:

- Replace approximately 408 linear feet of 8-inch sewer pipe and 258 linear feet of 6-inch sewer pipe with open trench excavation methods.
- Rehabilitate approximately 1,413 linear feet using trenchless cured-in-place methods.
- Rehabilitate and install sealed or locking manhole lids.

Sewer system improvements in Pine Mountain Lake:

- Replace approximately 2,715 linear feet of 6-inch sewer pipe using open trench excavation methods.
- Perform spot repairs in sections where pipe abnormalities were detected.

Construction methods

Cured-in-place method uses a flexible fiberglass fabric liner coated with a thermosetting polyester resin to form a new pipe inside an existing pipe. The liner is inserted into the existing pipe through existing manholes and cured to form a new liner. The fabric liner holds the resin in place until a tube is inserted in the pipe to be cured.

Polyvinyl chloride (PVC) pipe will be used for sewer pipe replacement work.

Installing new manholes will require: (1) excavating to the depth needed to install the new manhole to new or existing sewer main infrastructure, (2) installing the concrete manhole chamber, (3) connecting new or existing sewer mains, (4) backfill excavations, and (5) restoring the soil surface. Rehabilitating manholes will involve applying a polymer coating to the interior surface of the manhole chamber. Bringing manhole lids to grade will consist of installing a concrete riser column then restoring the soil surface to match the existing grade. Installing sealed or locking manhole lids will involve altering existing concrete collars to accommodate the new locking lids.”

Updates to the Original IS/MND Project Description

Minor changes were made to the Project which included adding some additional improvements (pipelines, manholes, staging areas, and other related components). These components are depicted in the engineering drawings in Figures 5 through 7 of the Addendum (the new components are shown in red). These additional components, when combined with the Original Project, will result in the installation of approximately 0.6 miles of pipelines using cured-in-place methods and approximately 1.6 miles of open trench replacement pipelines. A total of 65 manholes will be installed, replaced, sealed or rehabilitated.

Project Schedule

Construction is expected to begin in July 2022 and end in June 2023.

ENVIRONMENTAL REVIEW

As demonstrated in the Addendum, there are no additional significant impacts that result from these additional Project components and the IS/MND continues to serve as the appropriate document addressing the environmental impacts of these changes, pursuant to

California Environmental Quality Act (CEQA). As such, the Addendum was sent to the State Clearinghouse on December 9, 2021 for a 30+ day public review period which ended on January 11, 2022 and a public review will occur on January 11, 2022.

The Addendum was prepared by Crawford & Bowen Planning, Inc. under the direction and supervision of the District's Project Engineer AM Consulting Engineers. The Addendum outlined the current Project description and included a comparison of impacts analyzed in the 2019 MND and whether or not there were changes in impacts and/or new impacts resulting from the changes to the Project description. The Addendum did not identify any new significant environmental impacts.

Once the public review occurs and the Addendum is adopted, the District's consultants will submit an Environmental Package to the State Water Board which contains all of the documents needed to satisfy the Boards environmental requirements.

FINANCIAL IMPACT

The Groveland CSD has received a Clean Water State Revolving Fund (CWSRF) grant/loan in the amount of \$5,845,568.00, \$4,384,176.00 of which is grant and 1,461,392.00 of which is loan. The loan portion has a 1.4% interest rate for 30 years. The total project cost is \$3,651,646 and therefore shall not have any fiscal impact.

ATTACHMENTS:

1. Resolution 04-2022
2. CEQA Addendum and Attachments

RESOLUTION NO. 04-2022

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT TO APPROVING AN ADDENDUM TO THE MITIGATED NEGATIVE DECLARATION FOR THE DOWNTOWN GROVELAND AND BIG OAK FLAT SEWER COLLECTION SYSTEM IMPROVEMENTS PROJECT

WHEREAS, the Board of Directors of the Groveland Community Services District (the “Board” and “District”, respectively) has received and reviewed the proposed Addendum to the 2019 Mitigated Negative Declaration (State Clearinghouse #2019059053), for the District’s Downtown Groveland and Big Oaks Flat Sewer Collection System Improvements Project, including the 2019 adopted Mitigated Negative Declaration with appendices, and supporting information sources (collectively, the “Addendum”) together with the staff report and any related studies (collectively, the “Environmental Record”) for the proposed construction and operation of the Downtown Groveland and Big Oaks Flat Sewer Collection System Improvements Project (the “Project”), as described in the Addendum; and

WHEREAS, the District is the lead agency for purposes of environmental review of the Project under the California Environmental Quality Act (“CEQA”), pursuant to Public Resources Code § 21000 et seq., and the State “Guidelines for Implementation of the California Environmental Quality Act”; and

WHEREAS, the Project could, without mitigation, have resulted in a potential impact to certain areas of environmental concern, including Biological Resources and Cultural Resources; and

WHEREAS, the District has prepared mitigation measures to address and mitigate all potential environmental impacts to a “less than significant” level, which is a part of the Environmental Record reviewed and considered by the District; and

WHEREAS, the District has incorporated the mitigation measures described in the Addendum as conditions of approval by the District; and

WHEREAS, with the exception of the potential impacts stated above, there are no other potentially significant environmental impacts resulting from the Project; and

WHEREAS, the District prepared the Addendum in accord with CEQA Guidelines Sections 15162 and 15164; and

WHEREAS, the District sent the Addendum to the California State Clearinghouse for a 30-day public review period from December 9, 2021 to January 11, 2022; and

WHEREAS, the District conducted a public review on said Addendum at its Board Meeting on January 11, 2022; and

WHEREAS, The District has considered the Addendum along with the previously adopted 2019 Mitigated Negative Declaration, technical studies, and other information in the Environmental Record; and

WHEREAS, the District has determined that the conclusions of the analysis in the Addendum remain consistent with those made in the 2019 Mitigated Negative Declaration and that no new significant impacts will result and there will be no substantial increase in severity of impacts that result from those previously identified in the 2019 Mitigated Negative Declaration.

THEREFORE, BE IT RESOLVED that the Board finds, determines and resolves as follows:

SECTION 1. The Board adopts the foregoing recitals as true and correct.

SECTION 2. The Board finds that the Addendum reflects the independent judgment of the District as the lead agency for the Project.

SECTION 3. The Board finds that it has independently reviewed and considered the Environmental Record, including the Addendum.

SECTION 4. On the basis of the Environmental Record as the whole record before the Board, including the Addendum, the Board finds, in its independent judgment and analysis, that there is no substantial evidence the Project will have a significant effect on the environment.

SECTION 5. The Board confirms that the mitigation measures described in the Addendum have been incorporated into the Project and adopts the Addendum as the final CEQA document for the Project, which are a part of the Environmental Record before the Board for the Project.

SECTION 6. The Board approves and adopts the findings set forth herein, and the Addendum, based on the Environmental Record.

SECTION 7. District staff is authorized and directed to cause a Notice of Determination concerning the adoption of the Addendum for the Project to be filed in the office of the Tuolumne County Clerk and with the Office of Planning and Research in accordance with CEQA and State CEQA Guidelines.

This foregoing resolution is hereby approved and adopted at a regular meeting the Board of the Groveland Community Services District held on the 11th day of January, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Rachel Pearlman, Board Secretary

APPROVE:

Janice Kwiatkowski, Board President

ADDENDUM -
MITIGATED NEGATIVE
DECLARATION

Downtown Groveland and Big
Oak Flat Sewer Collection
System Improvements
SCH #2019059053

December 2021

PREPARED FOR:

Groveland Community Services District
18966 Ferretti Road
Groveland, CA 95321

PREPARED BY:



Crawford & Bowen Planning, Inc.
113 N. Church Street, Suite 302
Visalia, CA 93291

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Attachment A – Supplemental Biological Information

Attachment B – Cultural Resources Survey and Supplemental Report (Confidential – under separate cover)

SECTION ONE – INTRODUCTION

This environmental document is an Addendum to the Groveland Community Service District's *Downtown Groveland and Big Oak Flat Sewer Collection System Improvements Project* (Approved Project) Mitigated Negative Declaration (IS/MND), adopted in June 2019 (State Clearinghouse #2019059053), by the Groveland Community Services District (District). After filing the Notice of Determination for the Approved Project, minor changes were made to the Project which included adding some additional improvements (pipelines, manholes, staging areas, and other related components). These additional components of the Project were not included in the original IS/MND and are being evaluated herein. As demonstrated in this Addendum, there are no additional significant impacts and the original IS/MND continues to serve as the appropriate document addressing the environmental impacts of these changes, pursuant to California Environmental Quality Act (CEQA).

1.1 Addendum Purpose

When a proposed project is changed or there are changes in environmental setting, a determination must be made by the Lead Agency as to whether an Addendum or Subsequent EIR or MND is prepared. CEQA Guidelines Sections 15162 and 15164 sets forth criteria to assess which environmental document is appropriate. The criteria for determining whether an Addendum or Subsequent MND is prepared are outlined below. If the criteria below are true, then an Addendum is the appropriate document:

- No new significant impacts will result from the project or from new mitigation measures.
- No substantial increase in the severity of environment impact will occur.
- No new feasible alternatives or mitigation measures that would reduce impacts previously found not to be feasible have, in fact been found to be feasible.

Based upon the information provided in Section Three of this document, inclusion of the pipeline will not result in new significant impacts or substantially increase the severity of impacts previously identified in the IS/MND, and there are no previously infeasible alternatives that are now feasible. None of the other factors set forth in Section 15162(a)(3) are present.

As such, an Addendum is appropriate, and this Addendum has been prepared to address the environmental effects of the Project modifications.

1.2 Environmental Analysis and Conclusions

This Addendum addresses the environmental effects associated only with modifications to the Approved Project that have occurred since adoption of the IS/MND. The conclusions of the analysis in this Addendum remain consistent with those made in the IS/MND. No new significant impacts will result, and no substantial increase in severity of impacts will result from those previously identified in the IS/MND.

1.3 Incorporation by Reference

In compliance with CEQA Guidelines Section 15150, this Addendum has incorporated by reference the *Downtown Groveland and Big Oak Flat Sewer Collection System Improvements Project IS/MND*, adopted by the District in June 2019 (State Clearinghouse #2019059053). Information from this document incorporated by reference into this Addendum have been briefly summarized in the appropriate section(s) which follow, and the relationship between the incorporated part of the referenced document and this Addendum has been described. The original IS/MND is available for review at the Groveland Community Services District, 18966 Ferretti Road, Groveland, CA 95321.

1.4 Addendum Process

As described in Section 1.1, an addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.¹ An addendum need not be circulated for public review but can be included in or attached to the Final EIR or Mitigated Negative Declaration.² The decision-making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project.³ Once adopted, the Addendum, along with the original EIR or Negative Declaration, is placed in the Administrative Record, and the CEQA process is complete.

A copy of the Addendum will be transmitted to the State Clearinghouse.

¹ CEQA Guidelines, Section 15164(a)

² CEQA Guidelines, Section 15164(c)

³ CEQA Guidelines Section 15164(d)

SECTION TWO – PROJECT DESCRIPTION

2.1 Location and Setting

The proposed Project will take place in three adjacent communities; Big Oak Flat, Groveland, and Pine Mountain Lake, in western Tuolumne County (see Figure 1). The three communities are within the Groveland Community Services District (CSD or District). Big Oak Flat and Groveland lie along State Route 120 and east of State Route 49. Pine Mountain Lake is located north of State Route 120 and west of Groveland. Yosemite National Park lies approximately 23 miles southeast of the Project sites. Project elevation ranges from approximately 2800 feet to approximately 3100 feet above mean sea level. The proposed Project is located in Township 1S, Range 16E, Sections 20, 21, 23, 27, 29 and 30, MDB&M.

Location of Additional Activities

The additional Project activities described herein will generally occur within the vicinities of the areas evaluated under the original IS/MND. The locations of the additional Project components are shown in Figures 2 through 4.

2.2 Project Description

The following is the Project Description that was included in the original IS/MND:

“The Project involves sewer system improvements in Big Oak Flat, Groveland and Pine Mountain Lake. Specifically, the Project is broken down as follows:

Sewer system improvements in **Big Oak Flat**:

- Replace approximately 455 linear feet of 6-inch sewer pipe using open trench excavation methods.
- Rehabilitate approximately 792 linear feet of 6-inch sewer pipe using trenchless cured-in-place methods.
- Perform spot repairs to resolve pipe anomalies at two locations.
- Construct new manholes.
- Bring existing manhole lids up to grade.
- Install sealed or locking manhole lids.

Sewer system improvements in **Groveland**:

- Replace approximately 408 linear feet of 8-inch sewer pipe and 258 linear feet of 6-inch sewer pipe with open trench excavation methods.
- Rehabilitate approximately 1,413 linear feet using trenchless cured-in-place methods.
- Rehabilitate and install sealed or locking manhole lids.

Sewer system improvements in **Pine Mountain Lake**:

- Replace approximately 2,715 linear feet of 6-inch sewer pipe using open trench excavation methods.
- Perform spot repairs in sections where pipe abnormalities were detected.

Construction methods

Cured-in-place method uses a flexible fiberglass fabric liner coated with a thermosetting polyester resin to form a new pipe inside an existing pipe. The liner is inserted into the existing pipe through existing manholes and cured to form a new liner. The fabric liner holds the resin in place until a tube is inserted in the pipe to be cured.

Polyvinyl chloride (PVC) pipe will be used for sewer pipe replacement work.

Installing new manholes will require: (1) excavating to the depth needed to install the new manhole to new or existing sewer main infrastructure, (2) installing the concrete manhole chamber, (3) connecting new or existing sewer mains, (4) backfill excavations, and (5) restoring the soil surface. Rehabilitating manholes will involve applying a polymer coating to the interior surface of the manhole chamber. Bringing manhole lids to grade will consist of installing a concrete riser column then restoring the soil surface to match the existing grade. Installing sealed or locking manhole lids will involve altering existing concrete collars to accommodate the new locking lids.”

Updates to the Original IS/MND Project Description

Minor changes were made to the Project which included adding some additional improvements (pipelines, manholes, staging areas, and other related components). These components are depicted in the engineering drawings in Figures 5 through 7 (the new components are shown in red). These additional components, when combined with the Original Project, will result in the installation of

approximately 0.6 miles of pipelines using cured-in-place methods and approximately 1.6 miles of open trench replacement pipelines. A total of 65 manholes will be installed, replaced, sealed or rehabilitated.

Figure 1 – Project Vicinity Map

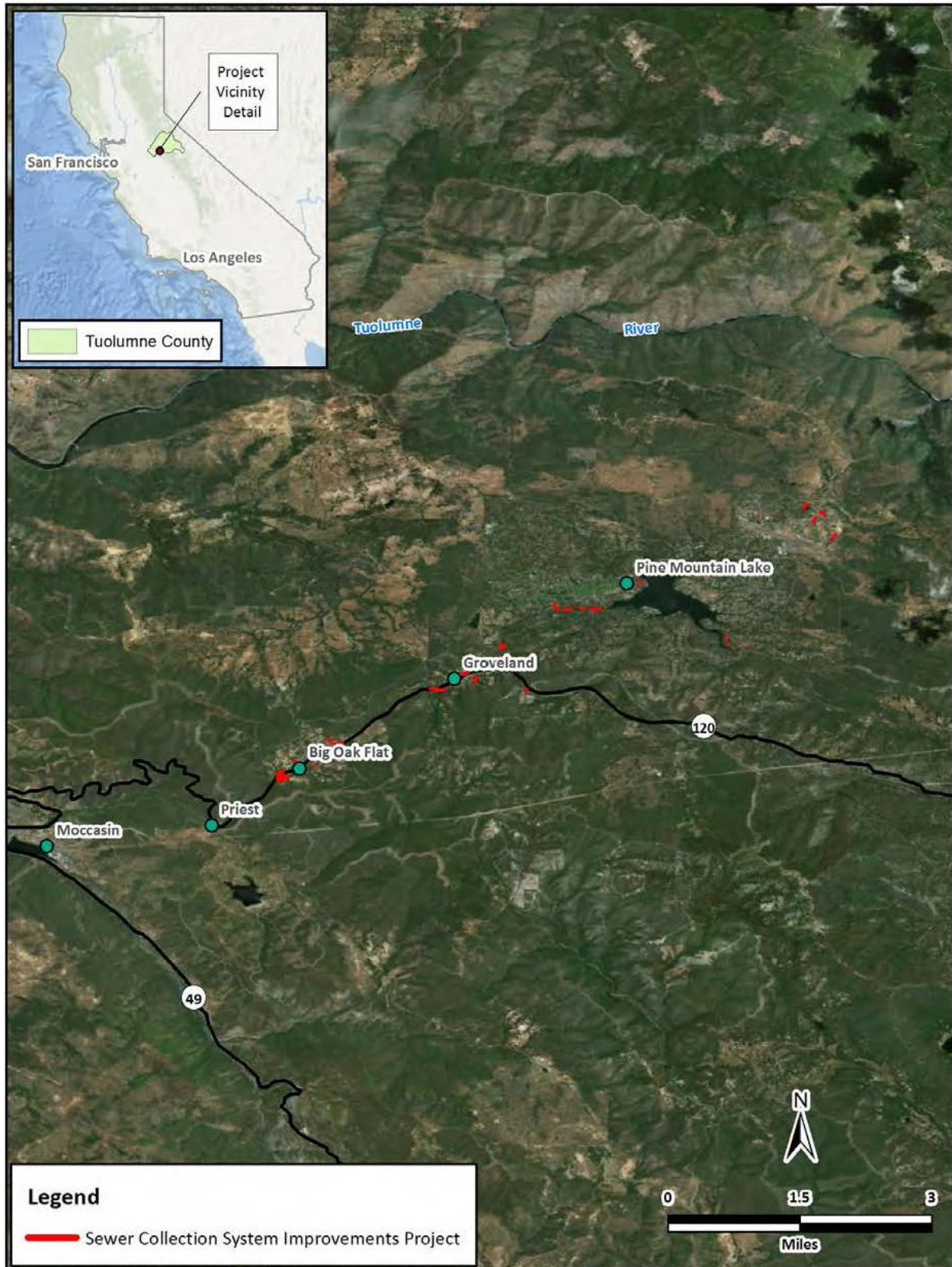


Figure 2 – Big Oak Flat Location of New Project Components

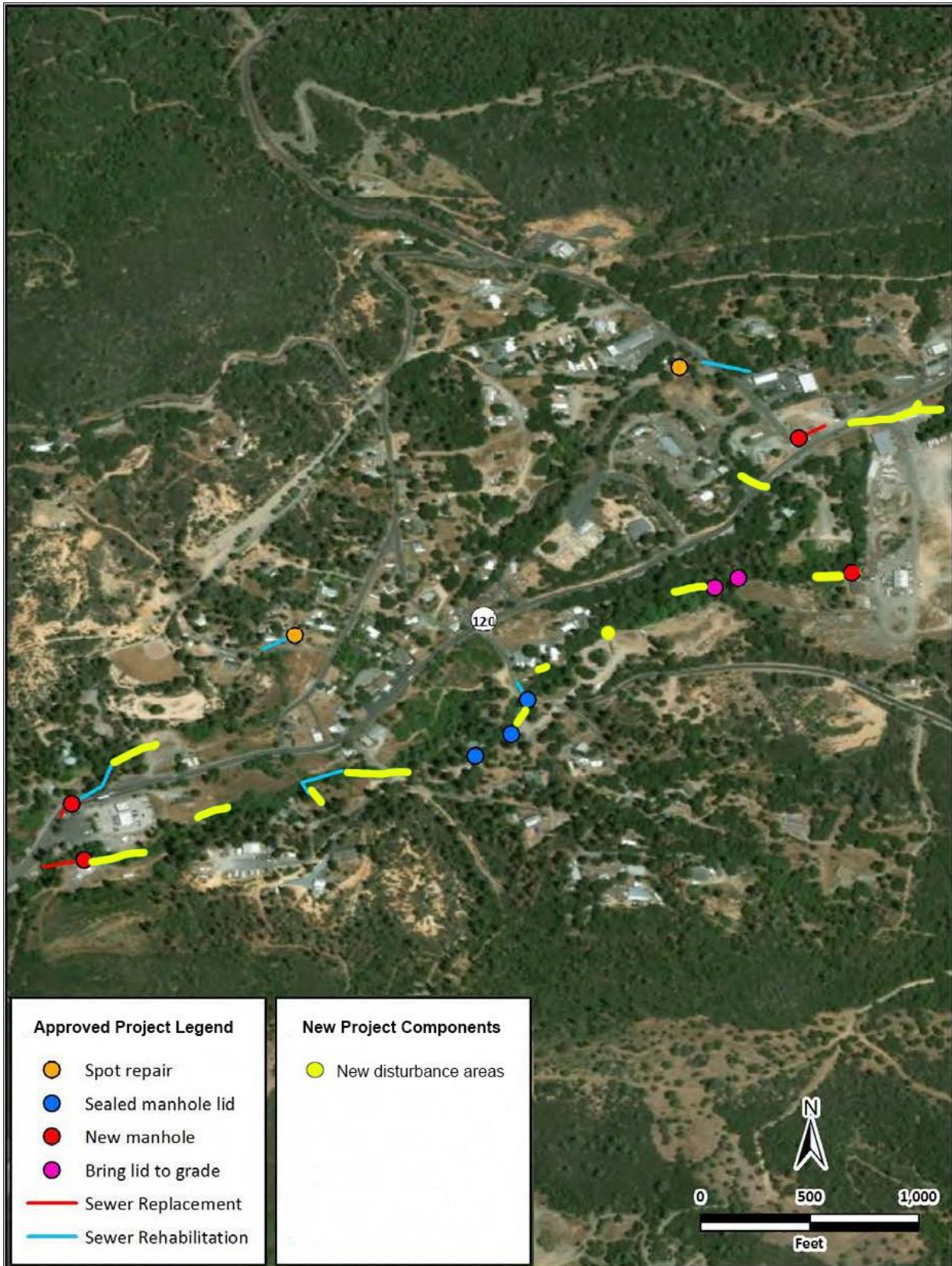


Figure 3 – Groveland Location of New Project Components

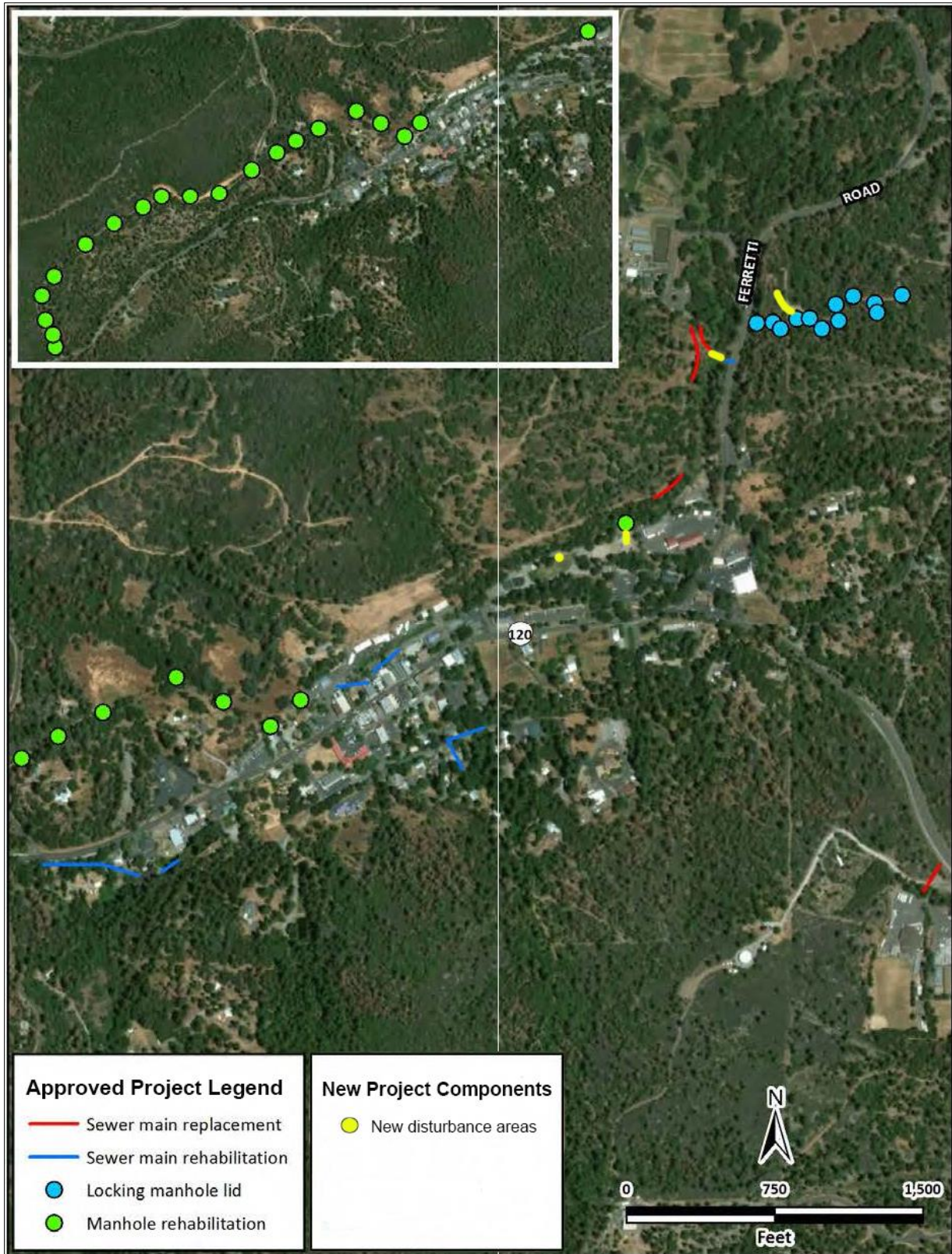


Figure 4 – Pine Mountain Lake Location of New Project Components

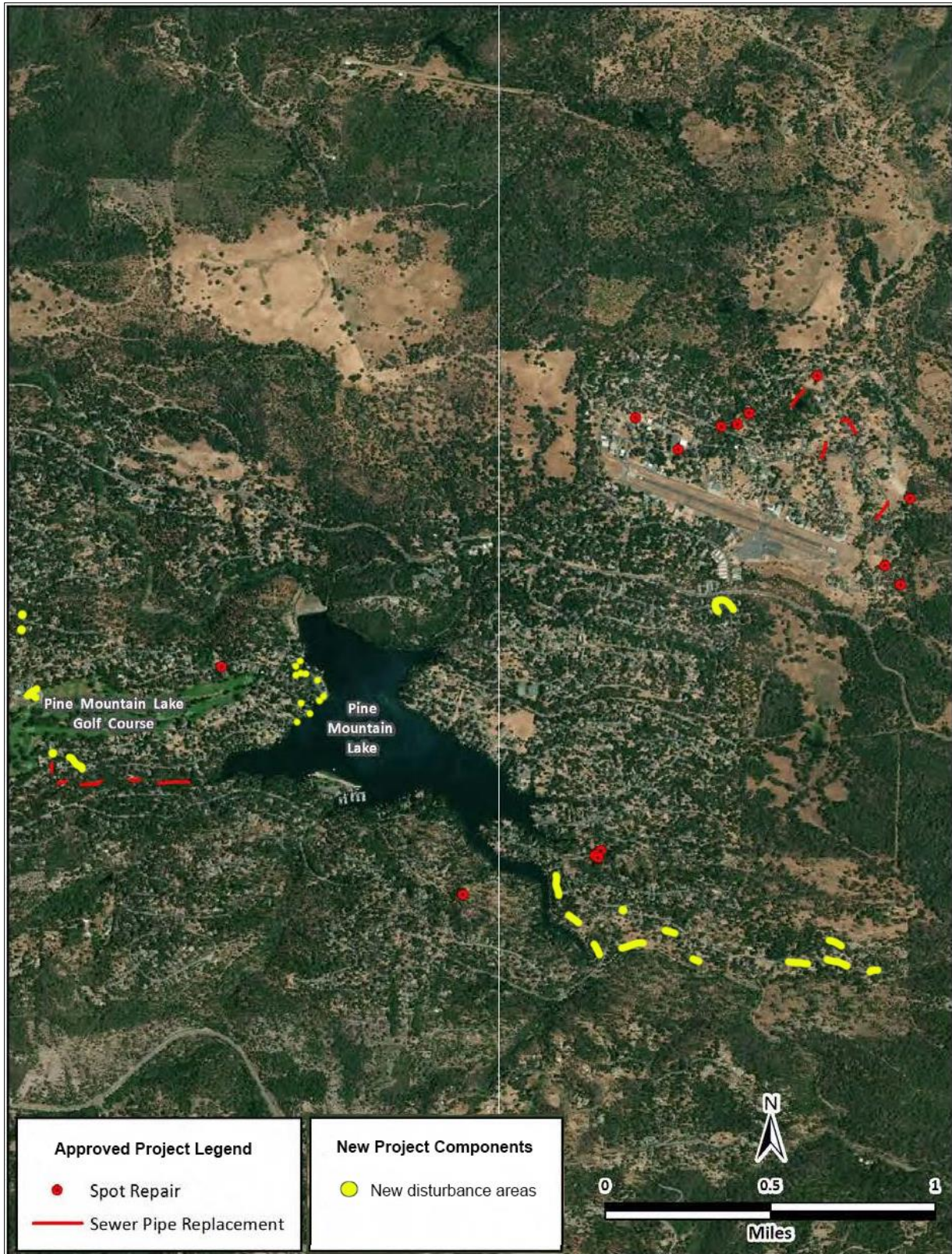


Figure 5 – Big Oak Flat New Project Components

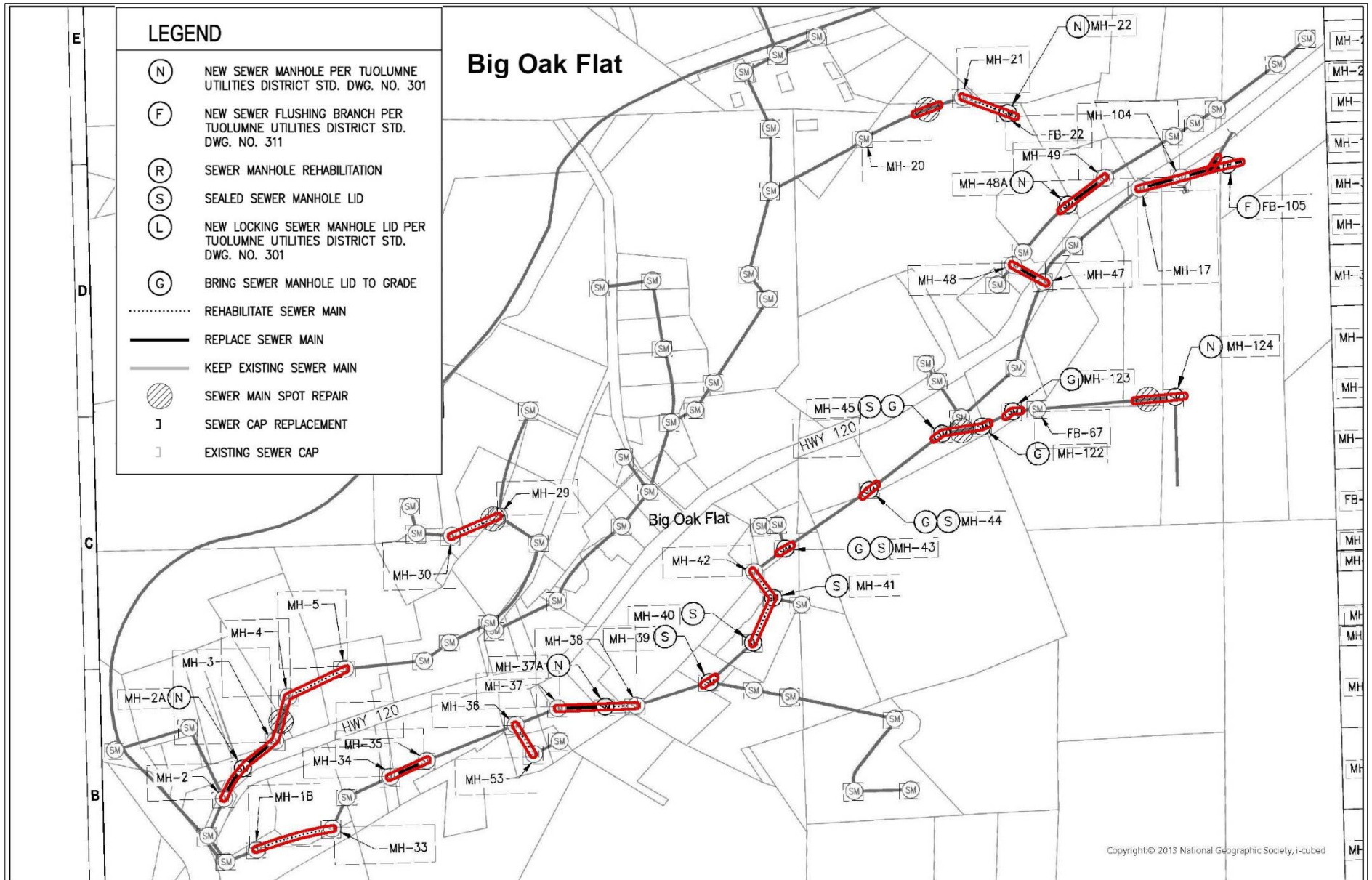


Figure 6 – Groveland New Project Components

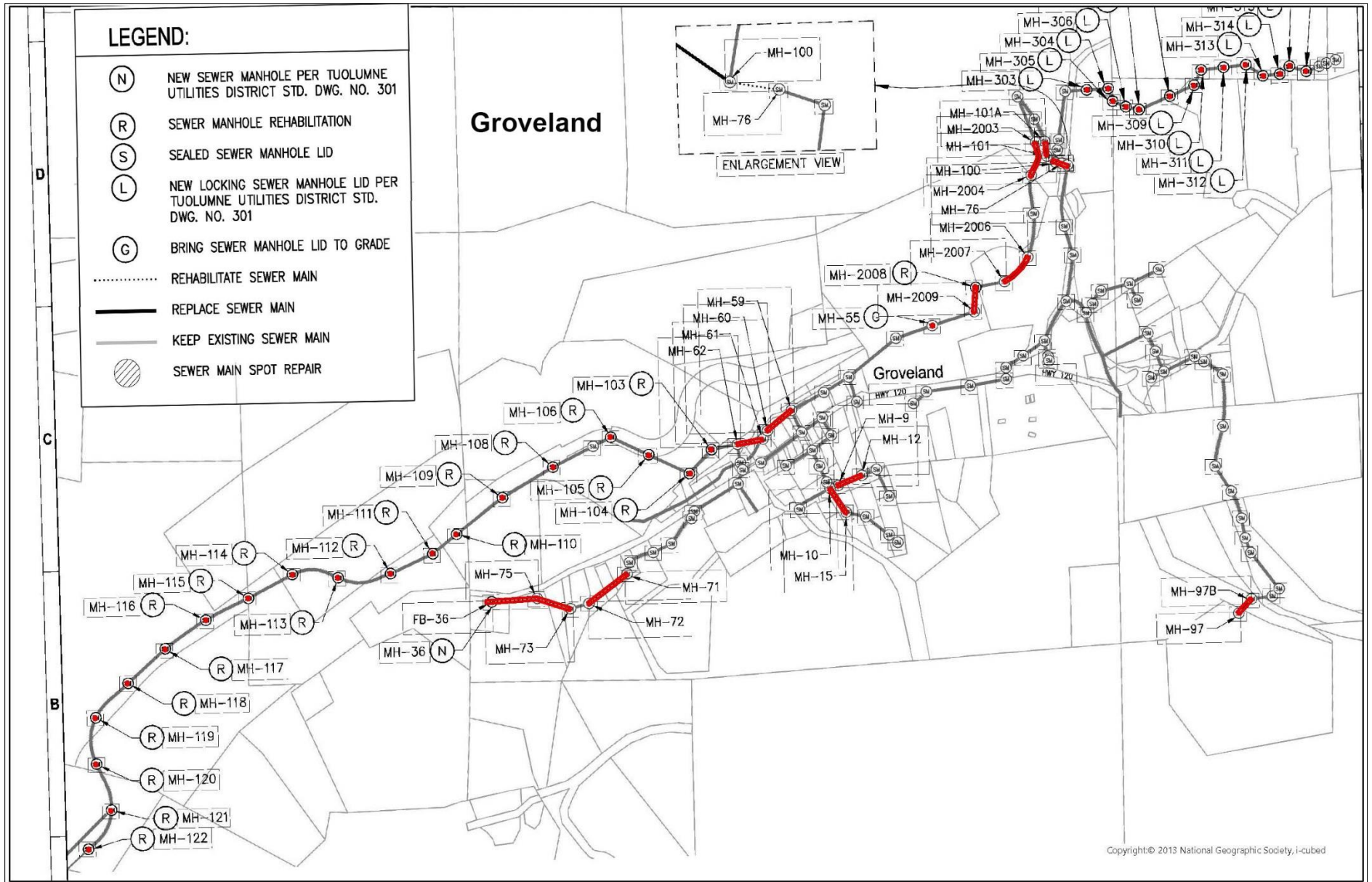
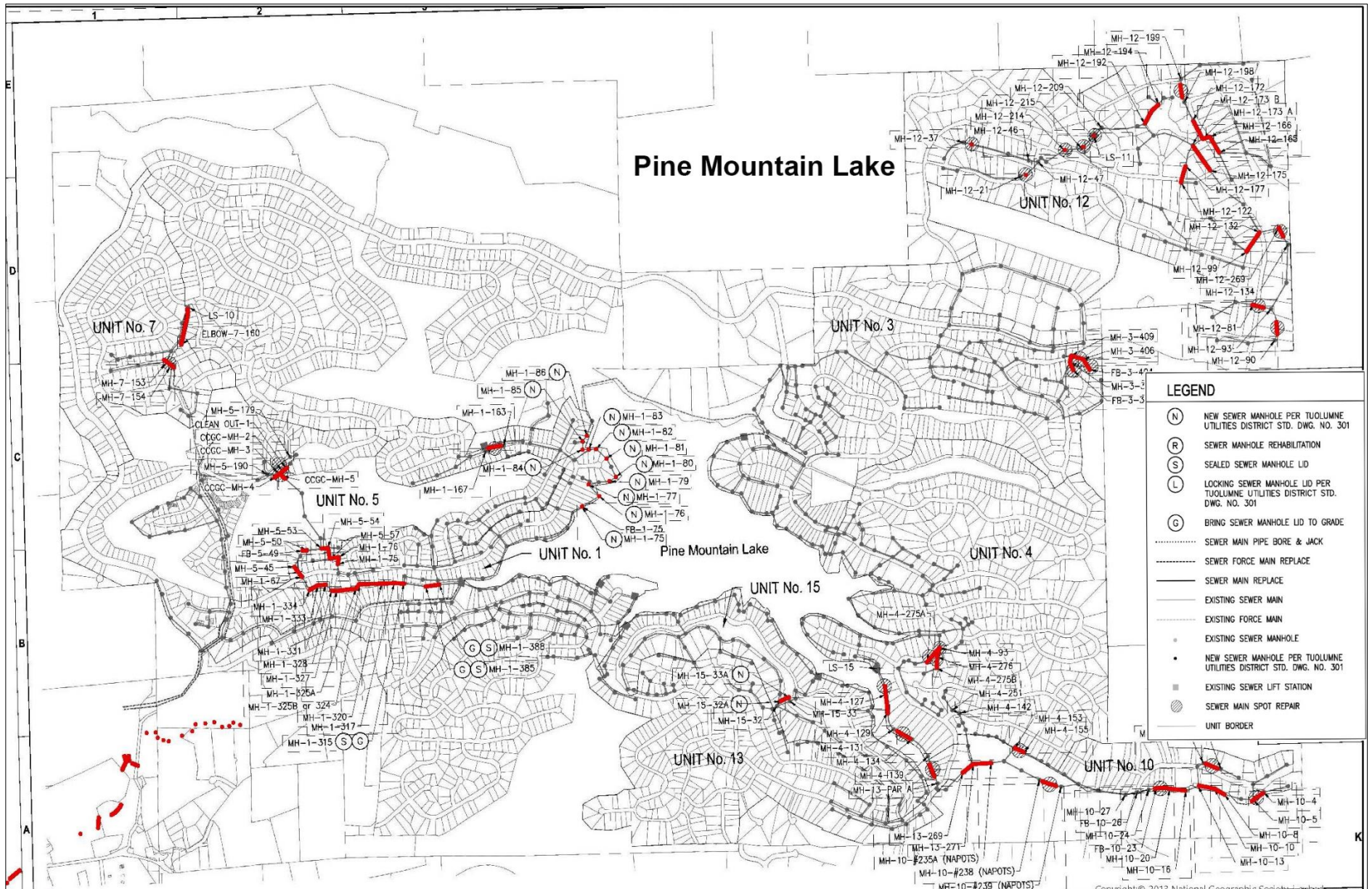


Figure 7 – Pine Mountain Lake New Project Components



SECTION THREE – CEQA CHECKLIST

The purpose of the checklist is to evaluate the categories in terms of any changed condition (e.g., changed circumstances, project changes, or new information of substantial importance) that may result in a changed environment result (e.g., a new significant impact or substantial increase in the severity of a previously identified significant effect)⁴.

The questions posed in the checklist come from Appendix G of the CEQA Guidelines. A “no” answer does not necessarily mean that there are no potential impacts relative to the environmental category, but that there is no change in the condition or status of the impact since it was analyzed and addressed with mitigation measures in the IS/MND prepared for the project. These environmental categories might be answered with a “no” in the checklist, since the proposed project does not introduce changes that would result in modification to the conclusion of the adopted IS/MND.

3.1 Checklist Evaluation Categories

Conclusion in Prior IS/MND – This column provides a cross reference to the section of the IS/MND where the conclusion may be found relative to the environmental issue listed under each topic.

Do Proposed Changes Involve New Impacts? – Pursuant to CEQA Guidelines Section 15162(a)(1), this column indicates whether the changes represented by the revised project will result in new significant environmental impacts not previously identified or mitigated by the IS/MND, or whether the changes will result in a substantial increase in the severity of a previously identified significant impact.

New Circumstances Involving New Impacts? – Pursuant to CEQA Guidelines Section 15162(a)(2), this column indicates where there have been substantial changes with respect to the circumstances under which the project is undertaken that will require major revisions to the IS/MND, due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

New Information Requiring Analysis or Verification? – Pursuant to CEQA Guidelines Section 15162(a)(3)(a-d), this column indicates whether new information of substantial importance, which was

⁴ CEQA Guidelines Section 15162

not known and could not have been known with the exercise of reasonable diligence at the time the previous MND was certified as complete.

Adopted IS/MND Mitigation Measures – Pursuant to CEQA Guidelines Section 15162(a)(3), this column indicates whether the IS/MND provides mitigation measures to address effects in the related impact category.

3.2 Environmental Analysis

As explained in Section One, this comparative analysis has been undertaken pursuant to the provisions of CEQA Sections 15162 and 15164 to provide the District with the factual basis for determining whether any changes in the project, any changes in circumstances, or any new information since the IS/MND was adopted require additional environmental review or preparation of a Subsequent MND or EIR to the IS/MND previously prepared.

As described in Section Two, there are additional components being added to the Project (pipelines, manholes, staging areas, and other related components). Because of this, new analysis for impacts within the Project area is provided in this Section of the Addendum and are listed as follows:

I. AESTHETICS

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Have a substantial adverse effect on a scenic vista?	No Impact.	No. The Project will not significantly impact a scenic vista.	No. The Project will not significantly impact a scenic vista.	No. The Project will not significantly impact a scenic vista.	None.
b. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	No Impact.	No. The Project will not significantly impact scenic resources in the Project area.	No. The Project will not significantly impact scenic resources in the Project area.	No. The Project will not significantly impact scenic resources in the Project area.	None.
c. Substantially degrade the existing visual character or quality of the site and its surroundings?	Less Than Significant Impact.	No. The project would not substantially degrade site existing visual character.	No. The project would not substantially degrade site existing visual character.	No. The project would not substantially degrade site existing visual character.	None.
d. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	Less Than Significant Impact.	No. The project would not create a source of substantial light or glare.	No. The project would not create a source of substantial light or glare.	No. The project would not create a source of substantial light or glare.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impacts or a less than significant impact on aesthetics. The proposed additional improvements described in Section 2.2 – Project Description will occur within the vicinity of the Approved Project as described in the original IS/MND. The additional components are similar to the Approved Project

components (pipelines, manholes, staging areas, and other related components). The majority of the work (proposed pipelines) will be installed underground using the cured-in-place method of construction to minimize ground disturbance. The pipelines will not be visible once installed and thus would not degrade the existing visual character of the area. Any replacement of at-grade structures such as manholes will be similar to existing facilities and will not introduce new features that are not already common to the built environment along the existing sewer collection system. Construction activities will be seen by the residences and businesses within the immediate vicinity and by vehicles driving in the District; however, construction activities will be temporary. As such, the proposed additional improvements will not result in impacts beyond what was analyzed in the previous IS/MND. Therefore, the Project will continue to have less than significant impacts on aesthetics.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

II. AGRICULTURAL RESOURCES

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency to non-agricultural use?	No Impact.	No. The project will not remove any land from agricultural production.	No. The project will continue to not remove any land from agricultural production.	No. The proposed project remains the same concerning agricultural resources.	None.
b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?	No Impact.	No. The project will not remove any land from agricultural production.	No. The project will not remove any land from agricultural production.	No. The proposed project remains the same concerning agricultural resources.	None.
c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	No Impact.	No. The project will not remove any land from agricultural production.	No. The project will not remove any land from agricultural production.	No. The proposed project remains the same concerning agricultural resources.	None.
d. Result in the loss of forest land or conversion of forest land to non-forest use?	No Impact.	No. There is no forest land on site.	No. There is no forest land on site.	No. The proposed project remains the same concerning	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
				agricultural resources.	
e. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	No Impact.	No. The project will not remove any land from agricultural production	No. The project will not remove any land from agricultural production	No. The proposed project remains the same concerning agricultural resources.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impact to agricultural or forest resources. The Farmland Mapping and Monitoring Program has not mapped farmland in Tuolumne County and as such, the Project does not include conversion of designated farmland to non-farmland. The proposed Project will not remove any land from agricultural production, as the land is not designated or used for agricultural purposes. As such, the proposed additional improvements will not result in impacts beyond what was analyzed in the previous IS/MND. Therefore, the Project will continue to have no impacts on agricultural or forestry resources.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

III. AIR QUALITY

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Conflict with or obstruct implementation of the applicable air quality plan?	Less Than Significant Impact.	No. The project would not create new significant increases in air emissions that would conflict or obstruct implementation of an available air quality plan.	No. The project would not create new significant increases in air emissions that would conflict or obstruct implementation of an available air quality plan.	No. The project would not create new significant increases in air emissions that would conflict or obstruct implementation of an available air quality plan.	None.
b. Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	Less Than Significant Impact	No. The project would not introduce any new impacts related to air quality standards or violations not previously disclosed.	No. The project would not introduce any new impacts related to air quality standards or violations not previously disclosed.	No. The project would not introduce any new impacts related to air quality standards or violations not previously disclosed.	None.
c. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	Less Than Significant Impact.	No. The project would not result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard.	No. The project would not result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard.	No. The project would not result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment under an applicable federal or state ambient air quality standard.	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
d. Expose sensitive receptors to substantial pollutant concentrations?	Less Than Significant Impact.	No. The project would not expose sensitive receptors to substantial pollutant concentrations.	No. The project would not expose sensitive receptors to substantial pollutant concentrations.	No. The project would not expose sensitive receptors to substantial pollutant concentrations.	None.
e. Create objectionable odors affecting a substantial number of people?	Less Than Significant Impact	No. The project does not involve any land uses that would create additional objectionable odors.	No. The project does not involve any land uses that would create additional objectionable odors.	No. The project does not involve any land uses that would create additional objectionable odors.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact on air quality. The proposed additional Project components will not increase the severity of air quality impacts or result in a significant increase in emissions and will not result in air emissions that exceed any Air District thresholds. Following construction activities, operation of the sewer mains would be a passive process and no increase in long-term operations air emissions is anticipated to occur. Construction emissions are provided in the table below. The Sacramento Metropolitan Air Quality Management District’s Road Construction Emissions Model, Version 8.1.0 was utilized to estimate emissions generated from project construction (the Sacramento model is a State-wide industry standard model for linear projects such as pipelines). As identified in the table, construction emissions are well below the established air emission thresholds.

Proposed Project Construction Emissions

Pollutant/ Precursor	Construction Emissions (tpy)	Threshold/ Exceed?
CO	4.70	100/ N
NOx	6.36	100/ N
ROG	0.59	100/ N
PM₁₀	1.42	100/ N

The Air District rules and regulations identified in the IS/MND pertaining the original project description also apply to the additional improvements being proposed. As such, the proposed additional improvements will not result in impacts beyond what was analyzed in the previous IS/MND. Therefore, the Project will continue to have less than significant impacts on air quality.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

IV. BIOLOGICAL RESOURCES

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	Less Than Significant Impact With Mitigation.	No. The additional Project components will have similar impacts to the original project and after mitigation, will not have a substantial effect on any candidate plant or animal species.	No. The additional Project components will have similar impacts to the original project and after mitigation, will not have a substantial effect on any candidate plant or animal species.	No. The additional Project components will have similar impacts to the original project and after mitigation, will not have a substantial effect on any candidate plant or animal species.	BIO – 1 BIO – 2 BIO – 3 BIO – 4
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	Less Than Significant Impact With Mitigation.	No. The site does not contain any biologically unique or riparian habitat. The additional Project components will have similar impacts to the original project and after mitigation, will not have a substantial effect on a riparian habitat or sensitive natural community.	No. The site does not contain any biologically unique or riparian habitat. The additional Project components will have similar impacts to the original project and after mitigation, will not have a substantial effect on a riparian habitat or sensitive natural community.	No. The site does not contain any biologically unique or riparian habitat. The additional Project components will have similar impacts to the original project and after mitigation, will not have a substantial effect on a riparian habitat or sensitive natural community.	BIO – 1 BIO – 2 BIO – 3 BIO – 4

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
c. Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	No Impact.	No. No wetlands are present within the original project site or within the areas of the additional new project components.	No. No wetlands are present within the original project site or within the areas of the additional new project components.	No. No wetlands are present within the original project site or within the areas of the additional new project components.	None.
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	Less Than Significant Impact With Mitigation.	No. The project will not interfere with any fish or wildlife movement or corridors. The additional Project components will have similar impacts to the original project and after mitigation, will not interfere substantially with wildlife movement.	No. The project will not interfere with any fish or wildlife movement or corridors. The additional Project components will have similar impacts to the original project and after mitigation, will not interfere substantially with wildlife movement.	No. The project will not interfere with any fish or wildlife movement or corridors. The additional Project components will have similar impacts to the original project and after mitigation, will not interfere substantially with wildlife movement.	BIO – 5
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	No Impact.	No. No local ordinances are applicable to the Project. This includes the original project area and the new project areas.	No. No local ordinances are applicable to the Project. This includes the original project area and the new project areas. No	No. No local ordinances are applicable to the Project. This includes the original project area and the new project areas. No	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
		No additional impacts.	additional impacts.	additional impacts.	
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	No Impact.	No. There are no adopted any biological conservation plans applicable to the Project.	No. There are no adopted any biological conservation plans applicable to the Project.	No. There are no adopted any biological conservation plans applicable to the Project.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impact associated with impact areas IV (c), (e) and (f), and a less than significant impact with mitigation associated with impact areas IV (a), (b) and (d). The proposed additional improvements described in Section 2.2 – Project Description will occur within the vicinity of the Approved Project as described in the original IS/MND. The additional components are similar to the Approved Project components (pipelines, manholes, staging areas, and other related components). Because of the additional Project components, a supplemental Biological Memorandum was prepared (Attachment A to this Addendum).

Previously, a Biological Resources Evaluation (BRE) was conducted by Colibri Ecological Consulting for the original Approved Project (Appendix B of the Original IS/MND). The Biological Evaluation included database searches through the California Natural Diversity Database (CNDDB), followed by a reconnaissance survey of the original Project areas. The Approved Project BRE is summarized as follows:

Critical Habitat

The BRE concluded the Project will have no effect on critical habitat as no critical habitat has been designated or proposed in the survey area.

Special-Status Species

Bald eagle, northwestern pond turtle, and western red bat were identified in the desktop review as having potential to occur on or near the Project site due to the presence of habitat in the survey area:

- Bald eagle requires large trees near water bodies for nesting. Suitable trees were present near Pine Mountain Lake. Therefore, the BRE concluded the Project may affect but is not likely to adversely affect bald eagle.
- Northwestern pond turtle uses aquatic habitats such as creeks, streams, or irrigation ditches for movements and foraging and adjacent upland areas for egg laying. The Project site is adjacent to and crosses multiple drainages that could support this species. Therefore, the BRE concluded the Project may affect but is not likely to adversely affect northwestern pond turtle.
- Western red bat uses trees, tree cavities, and peeling bark for roosting. Because several riparian trees that qualify as habitat will likely be removed to facilitate sewer pipe installation activities, the BRE concluded the Project may affect but is not likely to adversely affect this species.

Additionally, the BRE concluded that the Project will have no effect on other special-status species due either to the lack of habitat for such species in the survey area or for some plants because they were found to be absent during appropriate seasonal surveys.

Migratory Birds

The BRE concluded the Project may affect but is not likely to adversely affect nesting migratory birds.

Regulated Habitats

The BRE concluded the Project may affect and is likely to adversely affect three regulated habitats. These habitats consist of intermittent and ephemeral streams under the regulatory jurisdiction of the USACE, the RWQCB, and the CDFW. As such, Clean Water Act Section 404 permits and 401 certifications as well as California Fish and Game Code Section 1602 notifications are being prepared for impacts at these work locations. However, the Project will have no effect on federally protected wetlands or other regulated habitats under CEQA-Plus purview as no such habitats were found in the survey area.

The Project could have a substantial, direct adverse effect on bald eagle. Bald eagle requires large trees within about one mile of large, open water bodies for nesting. The Project site is within one mile of Pine Mountain Lake, the nearest water body that could support nesting by this species. Although the two trees, both Pacific willow (*Salix lasiandra*), that may need to be removed to facilitate Project construction

are too small to support nesting, construction-related disturbance could result in the incidental loss of reproduction. Therefore, Mitigation Measure BIO-1 (below) was included in the conditions of approval to reduce the potential impact to a less-than significant level.

The Project could also have a substantial, direct adverse effect on northwestern pond turtle, a native reptile designated by the CDFW as a Species of Special Concern. Northwestern pond turtle uses a variety of aquatic habitats including streams, creeks, ponds, lakes, and canals for shelter, foraging, and basking and lays its eggs in upland areas adjacent to these aquatic habitats. Because the Project will involve excavation and staging in and adjacent to multiple sections of intermittent and ephemeral streams that could support this species at some time during the year, incidental loss of animals or eggs could occur. Therefore, Mitigation Measure BIO-2 (below) was included in the conditions of approval to reduce the potential impact to a less-than-significant level.

The Project could also have a substantial, direct adverse effect on western red bat, a native bat species designated by the CDFW as a Species of Special Concern. Western red bat uses trees for roosting and pupping habitat. This species often uses trees on the edges of streams, open fields, and urban areas, approximately 2-40 feet above ground level (Zeiner et al. 1988-1990). Because the Project may require that riparian trees be removed at two work locations, incidental loss of animals or young from these trees could occur. Therefore, Mitigation Measure BIO-3 (below) was included in the conditions of approval to reduce the potential impact to a less-than-significant level.

The Approved Project will impact two intermittent streams, Rattlesnake Creek in Big Oak Flat and an unnamed stream in Pine Mountain Lake. Note: the updated components of the Project (associated with this Addendum) will not impact any streams. Both streams associated with the Approved Project support white alder (*Alnus rhombifolia*) and Pacific willow, two species of native riparian tree. In both cases, work activities will involve excavating an open trench across the stream to replace the existing sewer pipeline. This work could impact four white alders in Big Oak Flat (two 4-inch diameter at breast height [DBH], one 3-inch DBH, and one 2-inch DBH) and two Pacific willows in Pine Mountain Lake (two 8-inch DBH). Work activities will also impact Himalayan blackberry (*Rubus armeniacus*), a nonnative vine, along Rattlesnake Creek in Big Oak Flat. Based on the abundance of this plant species in the local area and at this location, including on and adjacent to the impact area, recolonization after Project completion is expected to occur naturally and probably within one growing season. Therefore, the BRE concluded that Project related impacts to Himalayan blackberry will be negligible, don't meet the threshold of significance, and consequently require no mitigation. However, to mitigate potential impacts to white alder and Pacific willow at these two drainages, Mitigation Measure BIO-4 (below) was included in the conditions of approval to reduce the potential impact to a less-than-significant level.

The Project has the potential to impede the use of nursery sites for native birds protected under the Migratory Bird Treaty Act and California Fish and Game Code. Migratory birds are expected to nest on and near the Project site. Construction disturbance during the breeding season could result in the incidental loss of fertile eggs or nestlings or otherwise lead to nest abandonment. Disturbance that causes nest abandonment or loss of reproductive effort is considered take by the CDFW. Loss of fertile eggs or nesting birds, or any activities resulting in nest abandonment, could constitute a significant impact if the species is particularly rare in the region. Construction activities such as excavation, trenching, water main or water valve installation, and mobilizing or demobilizing construction equipment that disturb a nesting bird on the site or immediately adjacent to the construction zone could constitute a significant impact. The BRE recommends that Mitigation Measure BIO-5 (below) be included in the conditions of approval to reduce the potential impact to a less-than-significant level.

Original IS/MND Mitigation Measures:

BIO-1: Protect nesting bald eagle.

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through July.
2. If it is not possible to schedule construction between August and January, preconstruction surveys for nesting bald eagles shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates (large trees) within 0.5-miles of the impact areas in Pine Mountain Lake for nests. If an active nest is found close enough to the construction area to be disturbed by Project activities, the qualified biologist in consultation with the CDFW shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting eagles, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.

BIO-2: Protect northwestern pond turtle.

1. To the extent practicable, construction in and adjacent to intermittent and ephemeral streams shall be scheduled to occur when these streams are dry (approximately mid-July through October) to avoid the possibility of northwestern pond turtle being present at the worksite.

2. If it is not possible to schedule construction between August and October, preconstruction surveys for northwestern pond turtle shall be conducted by a qualified biologist to determine if turtles are occupying streamside worksites. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all sections of stream within 300 feet of planned work activities, including adjacent upland areas, for turtles and nests; northwestern pond turtle nests in upland areas within several hundred feet of water in the spring, typically during the months of April and May. If a turtle or nest is found within 300 feet of the worksite, a qualified biological monitor shall remain on site during construction to ensure that no turtles or turtle nests are impacted by work activities. Any turtle found on or adjacent to the worksite shall be allowed to leave on its own.

BIO-3: Protect western red bat.

1. To the extent practicable, construction shall be scheduled to avoid the birthing and pupping season for western red bat, which extends from May through August.
2. If it is not possible to schedule construction between September and April, preconstruction surveys for roosting bats shall be conducted by a qualified biologist to ensure that no active maternal colonies will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential colony substrates in and immediately adjacent to the impact areas for maternity roosts. If an active maternity roost is found close enough to the construction area to be disturbed by work activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the colony. If work cannot proceed without disturbing the colony, work may need to be halted or redirected to other areas until young are able to fly or the colony has otherwise failed for non-construction related reasons.

BIO-4: Mitigate impacts to riparian vegetation.

1. To the extent practical, avoid impacting white alder and Pacific willow trees.
2. If impacts to white alder and Pacific willow trees are unavoidable, the District shall implement the tree replacement and maintenance requirements detailed in the Streamed Alteration Agreement issued by the CDFW for the Project. Those requirements are likely to involve replacing trees with a DBH of 4 inches or greater that are damaged or removed by replanting native species at a 3:1 ratio (replaced to lost) and ensuring a performance criterion of 70 percent survival of tree plantings for a minimum period of five consecutive years,

including up to three years with supplemental irrigation and a minimum of two years without such assistance.

BIO-5: Protect nesting birds.

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through August.
2. If it is not possible to schedule construction between September and January, preconstruction surveys for nesting birds shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates in and immediately adjacent to the impact areas for nests. If an active nest is found close enough to the construction area to be disturbed by these activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting birds, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.

Additional Project Components

Minor changes were made to the Project which included adding some additional improvements (pipelines, manholes, staging areas, and other related components). The new Project components will have ground disturbing activities similar to the Approved Project and will occur in the general vicinity of the areas covered under the Approved Project. It should be noted that none of the new Project components involve work within creeks, streambeds, lakes or other waterways and will not impact the existing regulatory permits required for the Project. The new work areas are depicted on Figures 2 through 4. The Approved Project components are shown on each figure and the new project components are depicted in yellow. These components are also depicted in the engineering drawings in Figures 5 through 7 (the new components are shown in red).

The new work areas depicted in Figures 2 through 4 will occur in areas similar to the Approved Project. As such, the mitigation measures applicable to the Approved Project are also applicable to the new project areas. For the new project areas, these don't include work within creeks, streambeds, lakes or other waterways, thus Mitigation Measures BIO – 2 and BIO – 4 are only applicable to the Approved

Project. However, Mitigation Measures BIO – 1, BIO – 3 and BIO – 5 will be applicable to both the Approved Project and all of the new Project areas. Implementation of the mitigation measures will reduce potential Project impacts to a less than significant level and will ensure that the Project is in compliance with state and federal laws protecting these species. Therefore, after mitigation, the Project will continue to have less than significant impacts on biological resources.

FINAL IS/MND MITIGATION MEASURES

BIO-1: Protect nesting bald eagle.

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through July.
2. If it is not possible to schedule construction between August and January, preconstruction surveys for nesting bald eagles shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates (large trees) within 0.5-miles of the impact areas in Pine Mountain Lake for nests. If an active nest is found close enough to the construction area to be disturbed by Project activities, the qualified biologist in consultation with the CDFW shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting eagles, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.

BIO-3: Protect western red bat.

1. To the extent practicable, construction shall be scheduled to avoid the birthing and pupping season for western red bat, which extends from May through August.
2. If it is not possible to schedule construction between September and April, preconstruction surveys for roosting bats shall be conducted by a qualified biologist to ensure that no active maternal colonies will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential colony substrates in and immediately adjacent to the impact areas for maternity roosts. If an active maternity roost is found close enough to the construction area to be disturbed by work activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the colony. If work cannot proceed without disturbing the colony, work

may need to be halted or redirected to other areas until young are able to fly or the colony has otherwise failed for non-construction related reasons.

BIO-5: Protect nesting birds.

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through August.
2. If it is not possible to schedule construction between September and January, preconstruction surveys for nesting birds shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates in and immediately adjacent to the impact areas for nests. If an active nest is found close enough to the construction area to be disturbed by these activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting birds, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

V. CULTURAL RESOURCES

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	Less Than Significant Impact With Mitigation.	No. The additional Project components will not have significant impacts on a historical resource. Additional cultural/historical surveys were conducted for the new Project components and no historical resources were identified.	No. The additional Project components will not have significant impacts on a historical resource. Additional cultural/historical surveys were conducted for the new Project components and no historical resources were identified.	No. The additional Project components will not have significant impacts on a historical resource. Additional cultural/historical surveys were conducted for the new Project components and no historical resources were identified.	CUL - 1
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	Less Than Significant Impact With Mitigation.	No. The additional Project components will not create any new impacts. No known historic, archaeological, or paleontological resources exist on site.	No. The additional Project components will not create any new impacts. No known historic, archaeological, or paleontological resources exist on site.	No. The additional Project components will not create any new impacts. No known historic, archaeological, or paleontological resources exist on site.	CUL - 1
c. Disturb any human remains, including those interred outside of formal cemeteries?	Less Than Significant Impact With Mitigation.	No. The additional Project components will not create any new impacts. No known historic resources, archaeological resources, or human remains exist on site.	No. The additional Project components will not create any new impacts. No known historic resources, archaeological resources, or human remains exist on site.	No. The additional Project components will not create any new impacts. No known historic resources, archaeological resources, or human remains exist on site.	CUL - 1

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact (with mitigation) on cultural resources. No cultural, historical or archaeological resources were identified for the Approved Project. However, mitigation measures were included in the event that undiscovered (buried) resources are present within the Project site. The proposed additional improvements described in Section 2.2 – Project Description will occur within the vicinity of the Approved Project as described in the original IS/MND. The additional components are similar to the Approved Project components (pipelines, manholes, staging areas, and other related components). Because of the additional Project components, an updated Cultural Resource Survey and Supplemental Report was prepared by ASM Affiliates, Inc. (Confidential Attachment B to this Addendum).

A background records search and Phase I cultural resources survey was conducted for the new Project components by ASM. The pedestrian survey concluded that 7 resources are within the Project area of potential effect (APE), of which, 5 are historic, 2 are prehistoric (CA-TUO-000010/ P-55-001040, CA-TUO-000005/ P-55-001036), and 1 is unknown. No new cultural resources were identified during the pedestrian survey.

While prehistoric site CA-TUO-10/ P-55-001040 as a whole is potentially eligible for recommendation into the National Register of Historic Places, the project APE is within a heavily disturbed historic railroad corridor that bisects the site. The railroad corridor and thus the Project APE therefore lack all components of integrity related to the prehistoric site and ASM finds no impact of project implementation within the project APE. Prehistoric site CA-TUO-000005/ P-55-001036 has no previous site record and survey efforts did not identify any prehistoric cultural components within the Project APE. The site as previously recorded is either mis-plotted or completely destroyed and no evidence of the prehistoric site is present. ASM finds no impact of Project implementation within the Project APE.

As the Project work involves ground-disturbing activities, there is a possibility for unrecorded cultural resources (including human remains) to be encountered during project implementation. If cultural resources are identified during project implementation activities ASM recommends construction activities halt within 100 feet until a SOI PQS qualified archaeologist can assess the site. If the Project could damage a historic property, construction should cease until a mitigation plan is implemented. If human remains are discovered by project personnel, all construction activities will halt within 100 feet of the discovery. Pursuant to PRC § 5097.98 and HSC § 7050.5, on-site personnel are to contact USACE,

who shall contact the Tuolumne County Coroner. If the Tuolumne County Coroner determines the remains are Native American, the NAHC will be contacted to identify most likely descendant.

In summary, it is anticipated that a *Finding of No Historic Properties Affected* will be determined for resources within the Project APE for purposes of Section 106. Furthermore, it is not anticipated that the Project would result in any adverse change in the significance of a historical or unique archaeological resource, as defined by CEQA.

Therefore, with mitigation, the Project will continue to have less than significant impacts on cultural resources.

FINAL IS/MND MITIGATION MEASURES

- CUL-1** In the event that archaeological remains are encountered at any time during development or ground-moving activities within the entire Project area, all work in the vicinity of the find should be halted until a qualified archaeologist can assess the discovery and take appropriate actions as necessary.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

VI. Energy

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	Less Than Significant Impact.	No. The project would not result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation.	No. The project would not result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation.	No. The project would not result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation.	None.
b. Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	Less Than Significant Impact.	No. The project would not conflict with or obstruct a state or local plan for renewable energy or energy efficiency.	No. The project would not conflict with or obstruct a state or local plan for renewable energy or energy efficiency.	No. The project would not conflict with or obstruct a state or local plan for renewable energy or energy efficiency.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact associated with impact areas VI (a) and (b). The additional Project components described in Section 2.2 – Project Description herein will not substantially increase the severity of energy use. The proposed additions would be required to implement and be consistent with existing energy design standards at the local and state level, such as Title 24. The Project would also be subject to energy conservation requirements in the California Energy Code and CALGreen for the

Project. Adherence to state code requirements would ensure that the Project would not result in wasteful and inefficient use of non-renewable resources due to operation.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

Any impacts resulting from energy use remain less than significant.

VII. GEOLOGY AND SOILS

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:					
i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	Less Than Significant Impact.	No. The project would not be exposed to fault rupture.	No. The project would not be exposed to fault rupture.	No. The project would not be exposed to fault rupture.	None.
ii. Strong seismic ground shaking?	No Impact.	No. The project would not increase exposure to risks associated with strong seismic ground shaking.	No. The project would not increase exposure to risks associated with strong seismic ground shaking.	No. The project would not increase exposure to risks associated with strong seismic ground shaking.	None.
iii. Seismic-related ground failure, including liquefaction?	No Impact.	No. The project would not increase exposure to seismic-related ground	No. The project would not increase exposure to seismic-related ground	No. The project would not increase exposure to seismic-related	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
		failure including liquefaction.	failure including liquefaction.	ground failure including liquefaction.	
iv. Landslides?	No Impact.	No. The project would not increase exposure to landslides.	No. The project would not increase exposure to landslides.	No. The project would not increase exposure to landslides.	None.
b. Result in substantial soil erosion or the loss of topsoil?	Less Than Significant Impact.	No. The project would not result in soil erosion or the loss of topsoil.	No. The project would not result in soil erosion or the loss of topsoil.	No. The project would not result in soil erosion or the loss of topsoil.	None.
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	Less Than Significant Impact.	No. The project would not increase exposure to risks associated with unstable geologic units or soils.	No. The project would not increase exposure to risks associated with unstable geologic units or soils.	No. The project would not increase exposure to risks associated with unstable geologic units or soils.	None.
d. Be located on expansive soil, as defined in Table 18-1-B of the most recently adopted Uniform Building Code creating substantial risks to life or property?	Less Than Significant Impact.	No. The project would not increase exposure to risks associated with expansive soil.	No. The project would not increase exposure to risks associated with expansive soil.	No. The project would not increase exposure to risks associated with expansive soil.	None.
e. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not	No Impact.	No. The project would not implement septic tanks or alternative wastewater disposal systems.	No. The project would not implement septic tanks or alternative wastewater disposal systems.	No. The project would not implement septic tanks or alternative wastewater	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
available for the disposal of waste water?				disposal systems.	
f. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	Less Than Significant Impact.	No. The project would not impact paleontological resources.	No. The project would not impact paleontological resources.	No. The project would not impact paleontological resources.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impact associated with impact areas VII (a-ii, a-iii, and a-iv), or (e), a less than significant impact associated with impact areas VII (a-i, a-ii, a-iii),(b), (c), (d) and (f). The original IS/MND identified that no active faults underlay the Project site and no substantial erosion or loss of topsoil will occur. Since no known surface expression of active faults is believed to cross the site, fault rupture through the site is not anticipated. The site is also not located on unstable soil. The same conclusions would apply to the proposed additional Project components described in Section 2.2 – Project Description herein. The Project does not include the use of septic tanks or other alternative wastewater disposal systems. No new impacts would occur.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

VIII. GREENHOUSE GAS EMISSIONS

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	Less Than Significant Impact.	No. The project would not generate a significant amount of greenhouse gas emissions.	No. The project would not generate a significant amount of greenhouse gas emissions.	No. The project would not generate a significant amount of greenhouse gas emissions.	None.
b. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	Less Than Significant Impact.	No. The project would not conflict with an applicable GHG reduction plan.	No. The project would not conflict with an applicable GHG reduction plan.	No. The project would not conflict with an applicable GHG reduction plan.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact associated with impact areas VIII (a) and (b). The additional Project components described in Section 2.2 – Project Description herein will not significantly increase the severity of greenhouse gas emissions or conflict with any applicable plans or policies pertaining to greenhouse gases, as these Project components would not result in the Project exceeding established greenhouse gas emission thresholds. Construction-related GHG emissions would occur for approximately twelve months and would cease following completion of the Project. The proposed Project is not a land-use development project that would generate vehicle trips and is not a roadway capacity increasing project that could carry additional vehicle trips. Therefore, the proposed Project would not result in a net increase in operational GHG emissions. The Air District rules and regulations identified in the IS/MND pertaining the original project description also apply to the additional Project components.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

Any impacts resulting from greenhouse gas emissions remain less than significant.

IX. HAZARDS AND HAZARDOUS MATERIALS

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	Less Than Significant Impact.	No. The project would not create new or increased impact involving hazardous materials.	No. The project would not create new or increased impact involving hazardous materials.	No. The project would not create new or increased impact involving hazardous materials.	None.
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	Less Than Significant Impact.	No. The project would not create additional significant hazard to the public or environmental through reasonably foreseeable upset and accident conditions.	No. The project would not create additional significant hazard to the public or environmental through reasonably foreseeable upset and accident conditions.	No. The project would not create additional significant hazard to the public or environmental through reasonably foreseeable upset and accident conditions.	None.
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	Less Than Significant Impact.	No. There continues to be no school within one-quarter mile of the site.	No. There continues to be no school within one-quarter mile of the site.	No. There continues to be no school within one-quarter mile of the site.	None.
d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	No Impact.	No. The project is not designated as a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.	No. The project is not designated as a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.	No. The project is not designated as a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
e. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	Less Than Significant Impact.	No. The project site is not within two miles of a public or private airport.	No. The project site is not within two miles of a public or private airport.	No. The project site is not within two miles of a public or private airport.	None.
f. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	Less Than Significant Impact.	No. The project would not impair emergency evacuation or response.	No. The project would not impair emergency evacuation or response.	No. The project would not impair emergency evacuation or response.	None.
g. Expose people or structures either directly or indirectly to a significant risk of loss, injury or death involving wildland fires.	Less Than Significant Impact.	No. The project would not expose people or structures either directly or indirectly to a significant risk of loss, injury or death involving wildland fires.	No. The project would not expose people or structures either directly or indirectly to a significant risk of loss, injury or death involving wildland fires.	No. The project would not expose people or structures either directly or indirectly to a significant risk of loss, injury or death involving wildland fires.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impact associated with impact areas IX (d) and a less than significant impact associated with impact areas IX (a), (b), (c), (e), (f), and (g). The additional Project components described in Section 2.2 – Project Description herein will not increase any impacts associated with hazards and hazardous materials, as the additional components are related to the original Project and will not substantially increase the severity of hazard/hazardous materials impacts. The applicable rules and regulations identified in the original IS/MND regarding hazardous materials also apply to the additional area.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

X. HYDROLOGY AND WATER QUALITY

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	Less than Significant Impact.	No. The project would not violate water quality standards or waste discharge requirements.	No. The project would not violate water quality standards or waste discharge requirements.	No. The project would not violate water quality standards or waste discharge requirements.	None.
b. Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	Less than Significant Impact.	No. The project would not substantially deplete groundwater resources or impair groundwater recharge.	No. The project would not substantially deplete groundwater resources or impair groundwater recharge.	No. The project would not substantially deplete groundwater resources or impair groundwater recharge.	None.
c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:					
i. Result in substantial erosion or siltation on or off site;	Less than Significant Impact.	No. The project would not result in substantial erosion or siltation on or off site.	No. The project would not result in substantial erosion or siltation on or off site.	No. The project would not result in substantial erosion or siltation on or off site.	None.
ii. Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on or offsite;	Less than Significant Impact.	No. The Project would not substantially increase the rate or amount of surface runoff in a manner which	No. The Project would not substantially increase the rate or amount of surface runoff in a manner which	No. The Project would not substantially increase the rate or amount of surface runoff in a manner which	

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
		would result in flooding on or offsite.	would result in flooding on or offsite.	would result in flooding on or offsite.	
iii. Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	Less than Significant Impact.	No. The Project would not create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff.	No. The Project would not create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff.	No. The Project would not create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff.	None.
iv. Impede or redirect flood flows?	Less than Significant Impact.	No. The Project would not impede or redirect flood flows.	No. The Project would not impede or redirect flood flows.	No. The Project would not impede or redirect flood flows.	None.
d. In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	No Impact.	No. The project would not risk release of pollutants due to project inundation.	No. The project would not risk release of pollutants due to project inundation.	No. The project would not risk release of pollutants due to project inundation.	None.
e. Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	No Impact.	No. The project would not conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	No. The project would not conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	No. The project would not conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact on hydrology and water quality. The additional Project components described in Section 2.2 – Project Description herein will not increase any impacts associated with hydrology and water quality, as the additional components are related to the original Project and will not substantially increase the severity of hydrology or water quality impacts. The applicable rules and regulations identified in the original IS/MND regarding hydrology and water quality also apply to the additional area.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XI. LAND USE AND PLANNING

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Physically divide an established community?	No Impact.	No. The project would not divide an established community.	No. The project would not divide an established community.	No. The project would not divide an established community.	None.
b. Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the General Plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	No Impact.	No. The project is consistent with the allowable land use.	No. The project is consistent with the allowable land use.	No. The project is consistent with the allowable land use.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impact on land use and planning. The inclusion of the additional Project components will not result in any changes to land use designations or otherwise conflict with any plans or policies, as the additional improvements are related to the activities evaluated in the original IS/MND and the additional improvements will not significantly increase the severity of these impacts.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XII. MINERAL RESOURCES

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	No Impact.	No. The project would not result in the loss of known mineral resources.	No. The project would not result in the loss of known mineral resources.	No. The project would not result in the loss of known mineral resources.	None.
b. Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	No Impact.	No. The project would not result in the loss of known mineral resources.	No. The project would not result in the loss of known mineral resources.	No. The project would not result in the loss of known mineral resources.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impact on mineral resources. There are no known mineral resources of importance to the region and the Project site is not designated under the County’s General Plan as an important mineral resource recovery site. The inclusion of the additional Project components will not result in any additional impacts to mineral resources.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XIII. NOISE

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	Less Than Significant Impact.	No. The project would not generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies.	No. The project would not generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies.	No. The project would not generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies.	None.
b. Generation of excessive groundborne vibration or groundborne noise levels?	Less Than Significant Impact.	No. The project would not generate excessive groundborne vibration or groundborne noise levels.	No. The project would not generate excessive groundborne vibration or groundborne noise levels.	No. The project would not generate excessive groundborne vibration or groundborne noise levels.	None.
c. For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	Less Than Significant Impact.	No. There are no public or private airports or airstrips in the area.	No. There are no public or private airports or airstrips in the area.	No. There are no public or private airports or airstrips in the area.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact associated with noise. The additional Project components described in Section 2.2 – Project Description herein will not substantially increase any noise impacts. Once operational, the Project will not result in an on-going increase in ambient noise, as the sewer collection system does not itself produce noise. During the proposed Project construction, noise from construction related activities will contribute to the noise environment in the immediate vicinity. The distinction between short-term construction noise impacts and long-term operational noise impacts is a typical one in both CEQA documents and local noise ordinances, which generally recognize the reality that short-term noise from construction is inevitable and cannot be mitigated beyond a certain level. Thus, local agencies frequently tolerate short-term noise at levels that they would not accept for permanent noise sources. A more severe approach would be impractical and might preclude the kind of construction activities that are to be expected from time to time. Most residents recognize this reality and expect to hear construction activities on occasion. The inclusion of the additional Project components will not result in any significant additional impacts to noise.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XIV. POPULATION AND HOUSING

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	Less Than Significant Impact.	No. The project would not induce substantial growth in the project area.	No. The project would not induce substantial growth in the project area.	No. The project would not induce substantial growth in the project area.	None.
b. Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	Less Than Significant Impact.	No. The project will not displace existing housing.	No. The project will not displace existing housing.	No. The project will not displace existing housing.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact associated with population and housing. There are no new homes or businesses associated with the proposed Project, nor would Project implementation displace people or housing. The proposed Project is needed to improve existing sewer collection facilities. The additional Project components described in Section 2.2 – Project Description herein does increase any impacts to population and housing.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XV. PUBLIC SERVICES

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:					
Fire protection?	Less Than Significant Impact.	No. The project would not result in a need for new or expanded fire protection facilities.	No. The project would not result in a need for new or expanded fire protection facilities.	No. The project would not result in a need for new or expanded fire protection facilities.	None.
Police protection?	Less Than Significant Impact.	No. The project would not result in a need for new or expanded police protection facilities.	No. The project would not result in a need for new or expanded police protection facilities.	No. The project would not result in a need for new or expanded police protection facilities.	None.
Schools?	Less Than Significant Impact.	No. The project would not result in a need for new or	No. The project would not result in a need for new or	No. The project would not result in a need for new or	None.

		expanded school facilities.	expanded school facilities.	expanded school facilities.	
Parks?	Less Than Significant Impact.	No. The project would not result in a need for new or expanded park facilities.	No. The project would not result in a need for new or expanded park facilities.	No. The project would not result in a need for new or expanded park facilities.	None.
Other public facilities?	Less Than Significant Impact.	No. The project would not result in a need for new or expanded other facilities.	No. The project would not result in a need for new or expanded other facilities.	No. The project would not result in a need for new or expanded other facilities.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact on public services. The proposed Project would not directly or indirectly induce population growth and thus would not increase the need for public services. The additional Project components described in Section 2.2 – Project Description herein does not increase any impacts to public services.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XVI. RECREATION

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	No Impact.	No. The project would not result in the deterioration of an existing park.	No. The project would not result in the deterioration of an existing park.	No. The project would not result in the deterioration of an existing park.	None.
b. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	No Impact.	No. The project would not result in a need for new or expanded park facilities.	No. The project would not result in a need for new or expanded park facilities.	No. The project would not result in a need for new or expanded park facilities.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impact on recreation. The proposed Project does not include the construction of residential uses and would not directly or indirectly induce population growth. Therefore, the proposed Project would not cause physical deterioration of existing recreational facilities from increased usage or result in the need for new or expanded recreational facilities. The additional Project components described in Section 2.2 – Project Description herein does not increase any impacts to recreation.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XVII. TRANSPORTATION/TRAFFIC

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	Less Than Significant Impact.	No. The project would not conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities.	No. The project would not conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities.	No. The project would not conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities.	None.
b. Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	Less Than Significant Impact.	No. The project would not conflict with or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b).	No. The project would not conflict with or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b).	No. The project would not conflict with or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b).	None
c. Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	Less Than Significant Impact.	No. The project would not substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment).	No. The project would not substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment).	No. The project would not substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment).	None.
d. Result in inadequate emergency access?	Less Than Significant Impact.	No. The project would not result in	No. The project would not result in	No. The project would not result in	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
		inadequate emergency access.	inadequate emergency access.	inadequate emergency access.	

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact on transportation. The proposed Project would not cause a substantial increase in traffic, reduce the existing level of service, create any additional congestion at any intersections, or be inconsistent with CEQA Guidelines Section 15064.3. The construction of pipelines and appurtenances will not generate any additional traffic (beyond construction-related traffic trips) and as such, level of service standards would not be exceeded. There are no components of the proposed Project that would increase hazards due to a geometric design feature. As traffic due to construction activities would be temporary in nature, the proposed Project would not cause a substantial increase in traffic or result in inadequate emergency access. Construction schedules pertaining to pipelines within roadways will be coordinated with sheriff/fire/emergency services. Adequate emergency access will be maintained at all times.

Once installed, the new pipelines and manholes would not generate significant additional traffic trips per day, other than as needed for periodic maintenance. The Project would not conflict with a program plan, ordinance, or policy addressing the circulation system. The additional Project components described in Section 2.2 – Project Description herein does not increase any impacts to transportation.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XVIII. TRIBAL CULTURAL RESOURCES

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:					
h. Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	Less Than Significant Impact.	No. The project is not listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k).	No. The project is not listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k).	No. The project is not listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k).	None.
ii. A resource determined by the lead agency, in its discretion and supported by substantial evidence,	Less Than Significant Impact.	No. The project is not a resource determined by the lead	No. The project is not a resource determined by the lead	No. The project is not a resource determined by the lead	None.

<p>to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.</p>		<p>agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.</p>	<p>agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.</p>	<p>agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.</p>	
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DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact on Tribal Cultural Resources. Tribal consultation was undertaken for the Approved Project in November 2018, the results of which are summarized in the original IS/MND. No tribes requested formal consultation for the Approved Project. The proposed additional

improvements described in Section 2.2 – Project Description will occur within the vicinity of the Approved Project as described in the original IS/MND. The additional components are similar to the Approved Project components (pipelines, manholes, staging areas, and other related components). Because of the additional Project components, additional tribal consultation was undertaken for the new Project components as described in more detail in the updated Cultural Resource Survey and Supplemental Report was prepared by ASM Affiliates, Inc. (Confidential Attachment B to this Addendum).

A Sacred Lands File (SLF) request was submitted to the Native American Heritage Commission (NAHC) on September 13, 2021. The NAHC responded on October 23, 2021, with a negative result to the SLF search. Additionally, the NAHC provided a list of Native American tribes who have knowledge of the project area. ASM wrote to contacts provided by the NAHC for additional information pertaining to the project APE on October 26, 2021. Follow-up emails were sent as well. At the time of this report publication one response has been received from the Washoe Tribe of Nevada and California deferring to the Tuolumne Miwuk Tribe on October 26, 2021. Appendix D of Attachment B provides requests to the NAHC, their results, and outreach communication to Native American tribes.

Therefore, the additional Project components will not increase the severity of tribal cultural resource impacts.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XIX. UTILITIES AND SERVICE SYSTEMS

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	Less Than Significant Impact.	No. The project itself is a water facility and would not require or result in the relocation or construction of new or expanded wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects.	No. The project itself is a water facility and would not require or result in the relocation or construction of new or expanded wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects.	No. The project itself is a water facility and would not require or result in the relocation or construction of new or expanded wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects.	None.
b. Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	No Impact.	No. The Project will have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years.	No. The Project will have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years.	No. The Project will have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years.	None.
c. Result in a determination by the wastewater treatment provider which serves or may serve the project	Less Than Significant Impact.	No. The project would not result in a determination by the wastewater treatment provider which serves or	No. The project would not result in a determination by the wastewater treatment provider which serves or	No. The project would not result in a determination by the wastewater treatment	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?		may serve the project that it does not has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments.	may serve the project that it does not has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments.	provider which serves or may serve the project that it does not has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments.	
d. Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	No Impact.	No. The project would not generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals.	No. The project would not generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals.	No. The project would not generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals.	None.
e. Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	No Impact.	No. The Project will comply with federal, state, and local management and reduction statutes and regulations related to solid waste.	No. The Project will comply with federal, state, and local management and reduction statutes and regulations related to solid waste.	No. The Project will comply with federal, state, and local management and reduction statutes and regulations related to solid waste.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have no impact associated with impact area XIX (b), (d), and (e) and a less than significant impact associated with impact areas XIX (a) and (c). The proposed Project includes improvements to the

District's existing sewer collection system, the results of which would not exceed any wastewater treatment requirements set by the Regional Water Quality Control Board. The Project does not include any expansion of wastewater treatment facilities or processes. The Project is intended to rehabilitate/replace a deteriorating sewer collection system. The additional Project components described in Section 2.2 – Project Description herein does not increase any impacts to utilities and service systems, as it is directly related to the original Project.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XX. WILDFIRE

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Substantially impair an adopted emergency response plan or emergency evacuation plan?	Less Than Significant Impact.	No. The project would not substantially impair an adopted emergency response plan or emergency evacuation plan.	No. The project would not substantially impair an adopted emergency response plan or emergency evacuation plan.	No. The project would not substantially impair an adopted emergency response plan or emergency evacuation plan.	None.
b. Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	Less Than Significant Impact.	No. The project would not, due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire.	No. The project would not, due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire.	No. The project would not, due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire.	None
c. Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or	Less Than Significant Impact.	No. The project would not require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or	No. The project would not require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or	No. The project would not require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
ongoing impacts to the environment?		other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment.	other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment.	other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment.	
d. Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	Less Than Significant Impact.	No. The project would not expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes.	No. The project would not expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes.	No. The project would not expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact on or from wildfires. The proposed Project is located in areas that have been developed with urban uses within a forested area. The proposed Project includes improvements to the District’s existing sewer collection system, which will include underground pipelines and at-grade manholes. There is no increased risk or on-going risk of wildfire beyond existing conditions associated with the Project. The additional Project components described in Section 2.2 – Project Description herein does not increase any impacts to wildfires.

FINAL IS/MND MITIGATION MEASURES

None.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

XXI. MANDATORY FINDINGS OF SIGNIFICANCE

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
<i>Would the project:</i>					
a. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	Less Than Significant Impact With Mitigation.	No. The project would not degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory.	No. The project would not degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory.	No. The project would not degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory.	BIO – 1 BIO – 2 BIO – 3 BIO – 4 BIO – 5 CUL – 1
b. Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection	Less Than Significant Impact.	No. The project would not have cumulatively considerable impacts.	No. The project would not have cumulatively considerable impacts.	No. The project would not have cumulatively considerable impacts.	None.

Environmental Issue Area	Adopted IS/MND Conclusion	Do Proposed Changes Involve New Impacts?	New Circumstances Involving New Impacts?	New Information Requiring Analysis or Verification?	Adopted IS/MND Mitigation Measures
with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?					
c. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	Less Than Significant Impact.	No. The project would not have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly.	No. The project would not have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly.	No. The project would not have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly.	None.

DISCUSSION

The previously adopted Mitigated Negative Declaration determined that the proposed Project would have a less than significant impact with mitigation regarding mandatory findings of significance. The additional Project components described in Section 2.2 – Project Description herein does not increase any impacts on the mandatory findings of significance.

FINAL IS/MND MITIGATION MEASURES

See Mitigation Measures throughout this document.

CONCLUSION

The conclusions from the IS/MND remain unchanged.

Attachments

Attachment A

Supplemental Biological Information

To: Groveland Community Services District
From: Travis Crawford, AICP
Date: November 22, 2021
Subject: Supplemental Biological Information – Downtown Groveland and Big Oak Flat Sewer Collection System Improvements

This Technical Memorandum provides supplemental biological information to the Groveland Community Services District's (District) *Downtown Groveland and Big Oak Flat Sewer Collection System Improvements Project* (Approved Project) Mitigated Negative Declaration (IS/MND), adopted on June 11, 2019 (State Clearinghouse #2019059053), and the associated *Biological Resources Evaluation* (prepared by Colibri Ecological Consulting and attached as an Appendix to the IS/MND). After filing the Notice of Determination for the Approved Project, minor changes were made to the Project which included adding some additional improvements (pipelines, manholes, staging areas, and other related components). As a result, supplemental biological information is being provided herein to evaluate the Project components that were not identified in the original Biological Evaluation.

Approved Project Biological Evaluation Background

As indicated above, a Biological Resources Evaluation (BRE) was conducted by Colibri Ecological Consulting for the original Approved Project. The Biological Evaluation included database searches through the California Natural Diversity Database (CNDDDB), followed by a reconnaissance survey of the original Project areas. The Approved Project will take place in three adjacent communities; Big Oak Flat, Groveland, and Pine Mountain Lake, in western Tuolumne County (see Figures 1 through 3). The three communities are within the Groveland Community Services District (CSD or District). Big Oak Flat and Groveland lie along State Route 120 and east of State Route 49. Pine Mountain Lake is located north of State Route 120 and west of Groveland. Yosemite National Park lies approximately 23 miles southeast of the Project sites. Project elevation ranges from approximately 2800 feet to approximately 3100 feet above mean sea level. The Approved Project BRE is summarized as follows:

Critical Habitat

The BRE concludes the Project will have no effect on critical habitat as no critical habitat has been designated or proposed in the survey area.

Special-Status Species

Bald eagle, northwestern pond turtle, and western red bat were identified in the desktop review as having potential to occur on or near the Project site due to the presence of habitat in the survey area:

- Bald eagle requires large trees near water bodies for nesting. Suitable trees were present near Pine Mountain Lake. Therefore, the BRE concludes the Project may affect but is not likely to adversely affect bald eagle.
- Northwestern pond turtle uses aquatic habitats such as creeks, streams, or irrigation ditches for movements and foraging and adjacent upland areas for egg laying. The Project site is adjacent to and crosses multiple drainages that could support this species. Therefore, the BRE concludes the Project may affect but is not likely to adversely affect northwestern pond turtle.
- Western red bat uses trees, tree cavities, and peeling bark for roosting. Because several riparian trees that qualify as habitat will likely be removed to facilitate sewer pipe installation activities, the BRE concludes the Project may affect but is not likely to adversely affect this species.

Additionally, the BRE concludes that the Project will have no effect on other special-status species due either to the lack of habitat for such species in the survey area or for some plants because they were found to be absent during appropriate seasonal surveys.

Migratory Birds

The BRE concludes the Project may affect but is not likely to adversely affect nesting migratory birds.

Regulated Habitats

The BRE concludes the Project may affect and is likely to adversely affect three regulated habitats. These habitats consist of intermittent and ephemeral streams under the regulatory jurisdiction of the USACE, the RWQCB, and the CDFW. As such, Clean Water Act Section 404 permits and 401 certifications as well as California Fish and Game Code Section 1602



notifications are being prepared for impacts at these work locations. However, the project will have no effect on federally protected wetlands or other regulated habitats under CEQA-Plus purview as no such habitats were found in the survey area.

The Project could have a substantial, direct adverse effect on bald eagle. Bald eagle requires large trees within about one mile of large, open water bodies for nesting. The Project site is within one mile of Pine Mountain Lake, the nearest water body that could support nesting by this species. Although the two trees, both Pacific willow (*Salix lasiandra*), that may need to be removed to facilitate Project construction are too small to support nesting, construction-related disturbance could result in the incidental loss of reproduction. Therefore, Mitigation Measure BIO-1 (below) was included in the conditions of approval to reduce the potential impact to a less-than significant level.

The Project could also have a substantial, direct adverse effect on northwestern pond turtle, a native reptile designated by the CDFW as a Species of Special Concern. Northwestern pond turtle uses a variety of aquatic habitats including streams, creeks, ponds, lakes, and canals for shelter, foraging, and basking and lays its eggs in upland areas adjacent to these aquatic habitats. Because the Project will involve excavation and staging in and adjacent to multiple sections of intermittent and ephemeral streams that could support this species at some time during the year, incidental loss of animals or eggs could occur. Therefore, Mitigation Measure BIO-2 (below) was included in the conditions of approval to reduce the potential impact to a less-than-significant level.

The Project could also have a substantial, direct adverse effect on western red bat, a native bat species designated by the CDFW as a Species of Special Concern. Western red bat uses trees for roosting and pupping habitat. This species often uses trees on the edges of streams, open fields, and urban areas, approximately 2-40 feet above ground level (Zeiner et al. 1988-1990). Because the Project may require that riparian trees be removed at two work locations, incidental loss of animals or young from these trees could occur. Therefore, Mitigation Measure BIO-3 (below) was included in the conditions of approval to reduce the potential impact to a less-than-significant level.

The Approved Project will impact two intermittent streams, Rattlesnake Creek in Big Oak Flat and an unnamed stream in Pine Mountain Lake. **Note:** the updated components of the Project



(associated with this Addendum) will not impact any streams. Both streams associated with the Approved Project support white alder (*Alnus rhombifolia*) and Pacific willow, two species of native riparian tree. In both cases, work activities will involve excavating an open trench across the stream to replace the existing sewer pipeline. This work could impact four white alders in Big Oak Flat (two 4-inch diameter at breast height [DBH], one 3-inch DBH, and one 2-inch DBH) and two Pacific willows in Pine Mountain Lake (two 8-inch DBH). Work activities will also impact Himalayan blackberry (*Rubus armeniacus*), a nonnative vine, along Rattlesnake Creek in Big Oak Flat. Based on the abundance of this plant species in the local area and at this location, including on and adjacent to the impact area, recolonization after Project completion is expected to occur naturally and probably within one growing season. Therefore, the BRE concluded that Project related impacts to Himalayan blackberry will be negligible, don't meet the threshold of significance, and consequently require no mitigation. However, to mitigate potential impacts to white alder and Pacific willow at these two drainages, Mitigation Measure BIO-4 (below) was included in the conditions of approval to reduce the potential impact to a less-than-significant level.

The Project has the potential to impede the use of nursery sites for native birds protected under the Migratory Bird Treaty Act and California Fish and Game Code. Migratory birds are expected to nest on and near the Project site. Construction disturbance during the breeding season could result in the incidental loss of fertile eggs or nestlings or otherwise lead to nest abandonment. Disturbance that causes nest abandonment or loss of reproductive effort is considered take by the CDFW. Loss of fertile eggs or nesting birds, or any activities resulting in nest abandonment, could constitute a significant impact if the species is particularly rare in the region. Construction activities such as excavation, trenching, water main or water valve installation, and mobilizing or demobilizing construction equipment that disturb a nesting bird on the site or immediately adjacent to the construction zone could constitute a significant impact. The BRE recommends that Mitigation Measure BIO-5 (below) be included in the conditions of approval to reduce the potential impact to a less-than-significant level.

Original IS/MND Mitigation Measures:

BIO-1: Protect nesting bald eagle.

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through July.



2. If it is not possible to schedule construction between August and January, preconstruction surveys for nesting bald eagles shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates (large trees) within 0.5-miles of the impact areas in Pine Mountain Lake for nests. If an active nest is found close enough to the construction area to be disturbed by Project activities, the qualified biologist in consultation with the CDFW shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting eagles, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.

BIO-2: Protect northwestern pond turtle.

1. To the extent practicable, construction in and adjacent to intermittent and ephemeral streams shall be scheduled to occur when these streams are dry (approximately mid-July through October) to avoid the possibility of northwestern pond turtle being present at the worksite.
2. If it is not possible to schedule construction between August and October, preconstruction surveys for northwestern pond turtle shall be conducted by a qualified biologist to determine if turtles are occupying streamside worksites. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all sections of stream within 300 feet of planned work activities, including adjacent upland areas, for turtles and nests; northwestern pond turtle nests in upland areas within several hundred feet of water in the spring, typically during the months of April and May. If a turtle or nest is found within 300 feet of the worksite, a qualified biological monitor shall remain on site during construction to ensure that no turtles or turtle nests are impacted by work activities. Any turtle found on or adjacent to the worksite shall be allowed to leave on its own.

BIO-3: Protect western red bat.

1. To the extent practicable, construction shall be scheduled to avoid the birthing and pupping season for western red bat, which extends from May through August.



2. If it is not possible to schedule construction between September and April, preconstruction surveys for roosting bats shall be conducted by a qualified biologist to ensure that no active maternal colonies will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential colony substrates in and immediately adjacent to the impact areas for maternity roosts. If an active maternity roost is found close enough to the construction area to be disturbed by work activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the colony. If work cannot proceed without disturbing the colony, work may need to be halted or redirected to other areas until young are able to fly or the colony has otherwise failed for non-construction related reasons.

BIO-4: Mitigate impacts to riparian vegetation.

1. To the extent practical, avoid impacting white alder and Pacific willow trees.
2. If impacts to white alder and Pacific willow trees are unavoidable, the District shall implement the tree replacement and maintenance requirements detailed in the Streamed Alteration Agreement issued by the CDFW for the Project. Those requirements are likely to involve replacing trees with a DBH of 4 inches or greater that are damaged or removed by replanting native species at a 3:1 ratio (replaced to lost) and ensuring a performance criterion of 70 percent survival of tree plantings for a minimum period of five consecutive years, including up to three years with supplemental irrigation and a minimum of two years without such assistance.

BIO-5: Protect nesting birds.

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through August.
2. If it is not possible to schedule construction between September and January, preconstruction surveys for nesting birds shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates in and immediately adjacent to the impact areas for nests. If an active nest is found close enough to the construction area to be disturbed by these activities, the qualified biologist shall determine the extent of a



construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting birds, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.

Additional Project Components

Minor changes were made to the Project which included adding some additional improvements (pipelines, manholes, staging areas, and other related components). The new Project components will have ground disturbing activities similar to the Approved Project and will occur in the general vicinity of the areas covered under the Approved Project. It should be noted that none of the new Project components involve work within creeks, streambeds, lakes or other waterways and will not impact the existing regulatory permits required for the Project. The new work areas are depicted on Figures 1 through 3. The Approved Project components are shown on each figure and the new project components are depicted in yellow. These additional components, when combined with the Original Project, will result in the installation of approximately 0.6 miles of pipelines using cured-in-place methods and approximately 1.6 miles of open trench replacement pipelines. A total of 65 manholes will be installed, replaced, sealed or rehabilitated.



Figure 1 – Groveland Project Areas

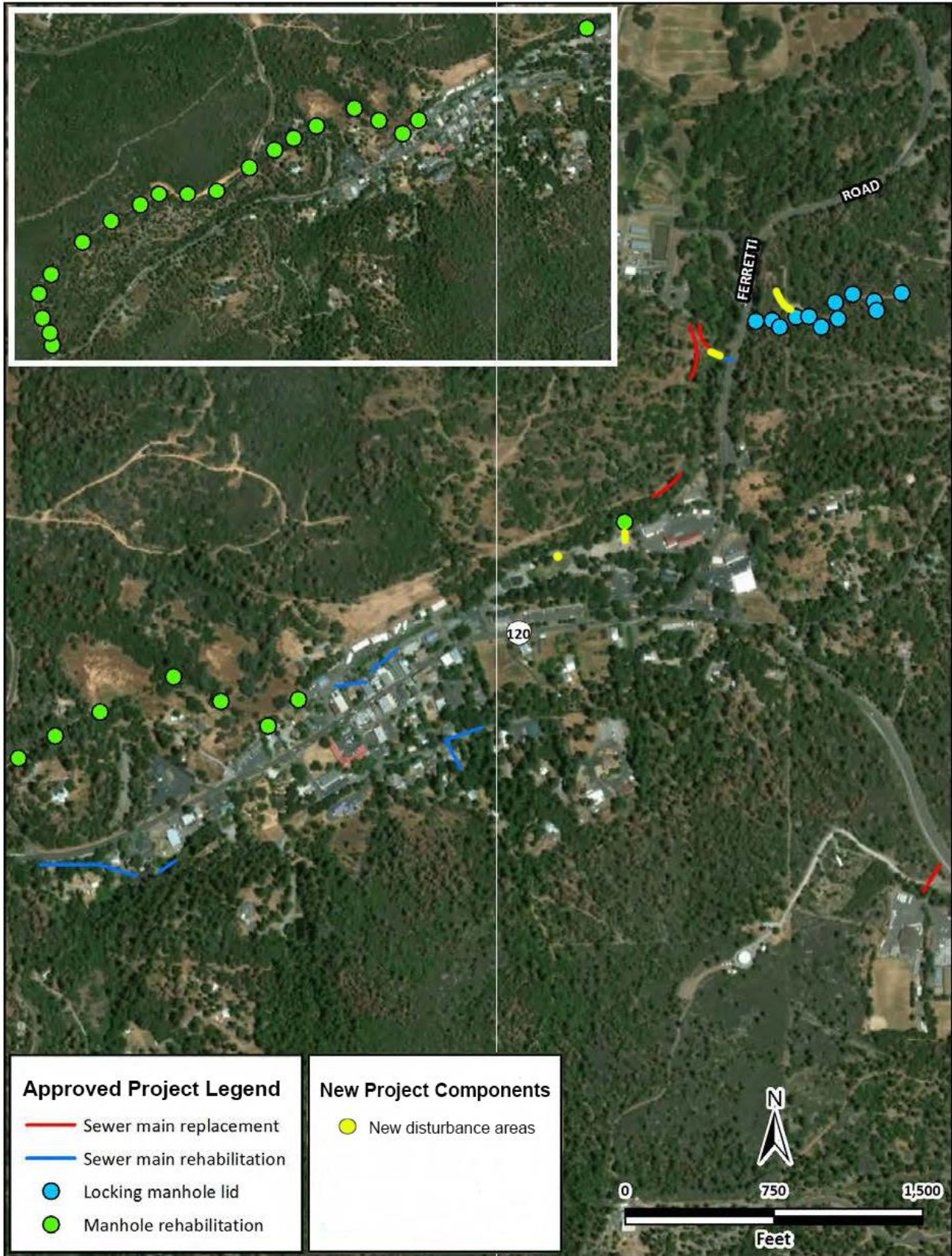


Figure 2 – Big Oak Flat Project Areas

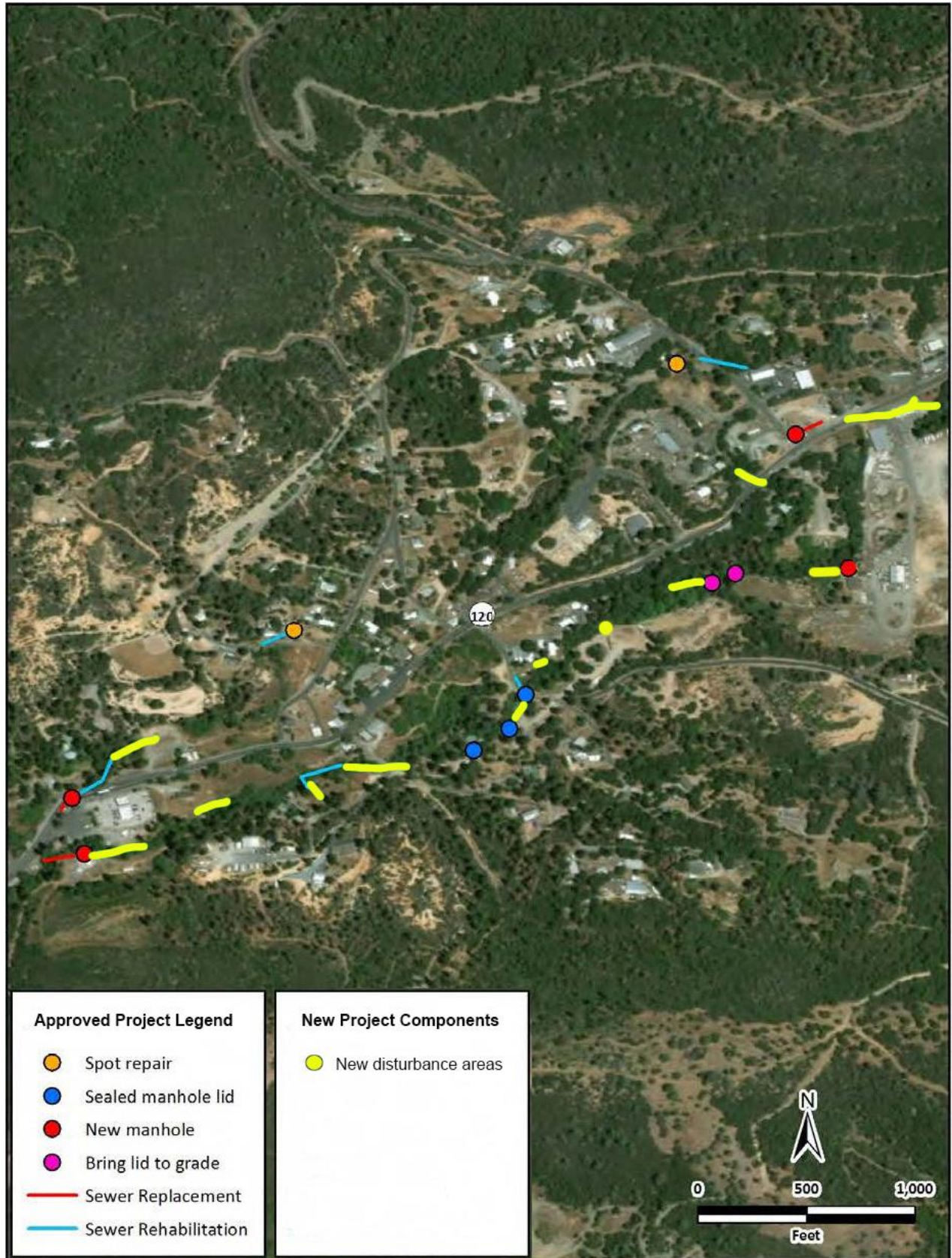
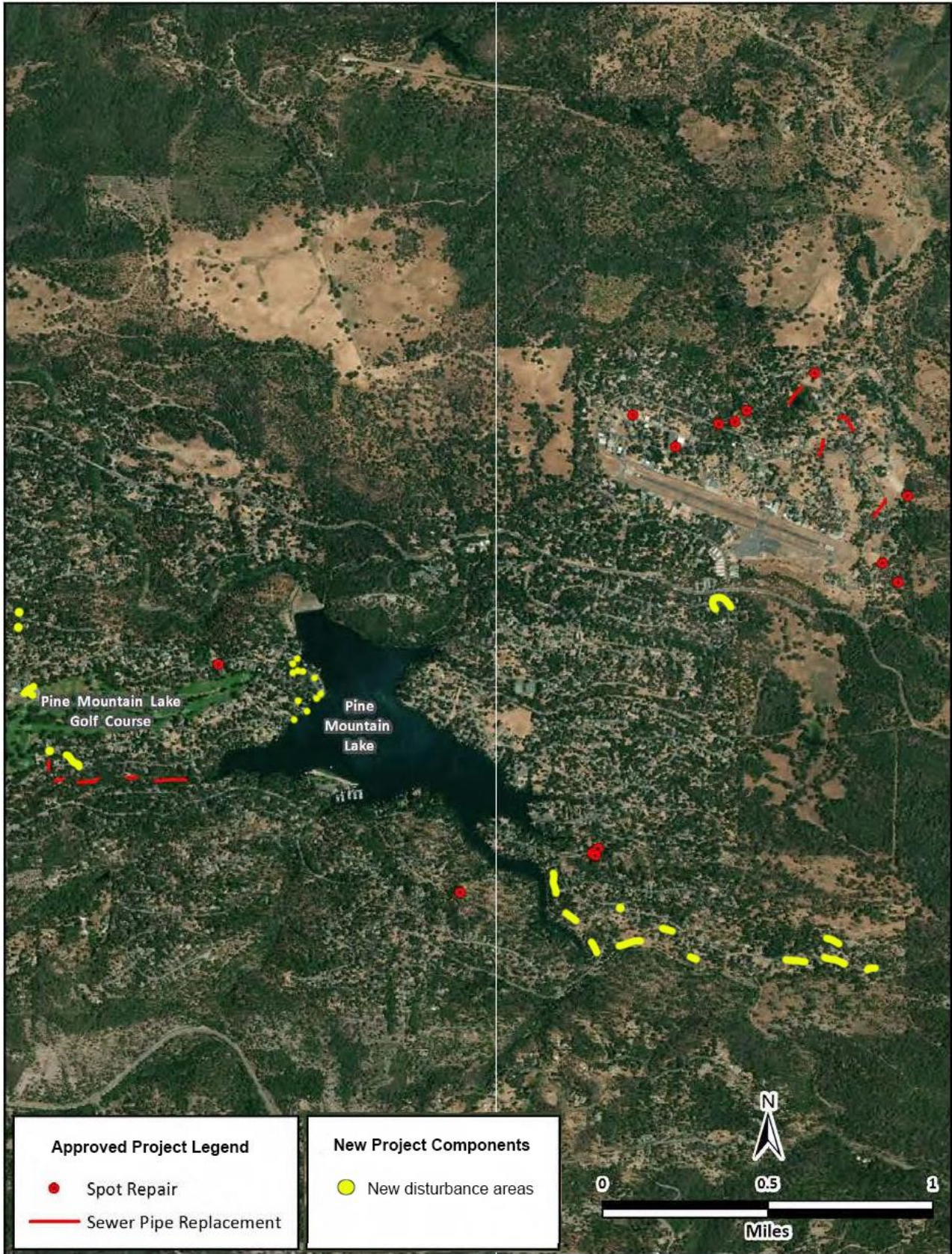


Figure 3 – Pine Mountain Lake



The new work areas depicted in Figures 1 through 3 will occur in areas similar to the Approved Project. As such, the mitigation measures applicable to the Approved Project are also applicable to the new project areas. For the new project areas, these don't include work within creeks, streambeds, lakes or other waterways, thus Mitigation Measures BIO – 2 and BIO – 4 are only applicable to the Approved Project. However, Mitigation Measures BIO – 1, BIO – 3 and BIO – 5 will be applicable to both the Approved Project and all of the new Project areas. The following biological mitigation measures will be implemented as a condition of project approval for the new Project areas:

Mitigation Measures:

BIO-1: Protect nesting bald eagle.

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through July.
2. If it is not possible to schedule construction between August and January, preconstruction surveys for nesting bald eagles shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates (large trees) within 0.5-miles of the impact areas in Pine Mountain Lake for nests. If an active nest is found close enough to the construction area to be disturbed by Project activities, the qualified biologist in consultation with the CDFW shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting eagles, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.

BIO-3: Protect western red bat.

1. To the extent practicable, construction shall be scheduled to avoid the birthing and pupping season for western red bat, which extends from May through August.
2. If it is not possible to schedule construction between September and April, preconstruction surveys for roosting bats shall be conducted by a qualified biologist to ensure that no active maternal colonies will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days



prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential colony substrates in and immediately adjacent to the impact areas for maternity roosts. If an active maternity roost is found close enough to the construction area to be disturbed by work activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the colony. If work cannot proceed without disturbing the colony, work may need to be halted or redirected to other areas until young are able to fly or the colony has otherwise failed for non-construction related reasons.

BIO-5: Protect nesting birds.

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through August.
2. If it is not possible to schedule construction between September and January, preconstruction surveys for nesting birds shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates in and immediately adjacent to the impact areas for nests. If an active nest is found close enough to the construction area to be disturbed by these activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting birds, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.

Implementation of the above measures will reduce potential Project impacts to a less than significant level and will ensure that the Project is in compliance with state and federal laws protecting these species.



Attachment B

Cultural Resources Survey and
Supplemental Report (Confidential)

(Confidential - Under Separate Cover)

The **Cultural Resources Survey and Supplemental Report** identifies the location of cultural resources within the vicinity of Downtown Groveland, Big Oak Flat and Pine Mountain Lake, Tuolumne County, California. Information regarding cultural resources, including site locations, is protected by both federal and state laws. Federal regulations include, and are not limited to, Section 304 of the National Historic Preservation Act (54 United States Code [U.S.C.] 307103) and the Archaeological Resources Protection Act (16 U.S.C. Section 470h). State regulations include, and are not limited to, Government Code Section 6250 et seq. and Section 6254 et seq. Disclosure of site locations to individuals other than those who meet the U.S. Secretary of Interior's Professional Standards, the California State Personnel Board criterion for Associate State Archaeologist, or State Historian II is a violation of the California Office of Historic Preservation records access policy.



TO: GCS D Board of Directors

FROM: Peter J. Kampa, General Manager

DATE: January 11, 2022

SUBJECT: Agenda Item 6C: Consideration of Approval of the Community Improvement Project Scope to be Submitted to the Clean California Grant Program in Partnership with the Yosemite Hwy 120 Chamber of Commerce

RECOMMENDED ACTION:

I move to approve the Community Improvement Project Scope to be submitted to the Clean California Grant in Partnership with the Yosemite Hwy 120 Chamber of Commerce.

BACKGROUND:

On December 14, 2021, the Board of Directors adopted resolution 43-2021 approving District staff to submit an application for the Clean California Local Grant program for litter abatement, land beautification and to improve parks and pathways. The Yosemite Hwy 120 Chamber of Commerce would like to partner with the District through the application process and to have an ongoing relationship in their efforts to beautify downtown Groveland. District staff and representatives from the Chamber had a meeting on January 5, 2022, to discuss the Chamber's project scope and the benefits that it would have for the District and downtown Groveland, as well as how their project would greatly enhance the district's project scope of work as well as increase its application score.

The Chamber of Commerce beautification project includes:

- Trash and recycling receptacles, planters and benches distributed along Main Street

The Chamber recommended improvements will significantly reduce the amount of trash disposed of in the limited park trash cans; which are nearly always full and messy.

The GCS D park infrastructure project includes:

- Replacement of the park restroom with a new, larger and more maintenance friendly facility
- Additional trash and recycling receptacles
- Shade cover and enhanced YARTS bus terminal area
- Additional park benches with covers in unshaded areas
- Drought tolerant landscaping design and installation; irrigation renovation and demonstration garden
- Walking paths in the park

- Trailhead informational area and signage
- Removal of trash, debris and abandoned RV on the new 37 acre property purchased
- Restoration of dirt access roads and unpaved trails linking the park to the new property; allowing the property to be opened for walking, hiking, biking and sightseeing

District staff feels that this is an ideal partnership for this grant opportunity and if awarded the district and the Chamber of Commerce will work out the details of an agreement to maintain the beautification project that they have proposed and bring this back to the board for approval. The physical assets of trash cans, benches and planters will be low to the GCSD Parks, and the Chamber of Commerce will provide plant maintenance, watering and servicing of trash receptacles downtown.

ATTACHMENTS:

1. Yosemite Hwy 120 Chamber of Commerce Beautification Program
Scope



Yosemite / Hwy 120 Chamber of Commerce Beautification Program

In its continued commitment to be a viable, valuable and visible force to the Hwy 120 Corridor business community, the Yosemite Chamber is responding to a consistently voiced concern of the Groveland Main Street business community. That concern is the never-ending need for Groveland Main Street businesses to pick up or take in trash, garbage and recyclable materials created by visitors travelling to our Community or through to Yosemite. In this effort, the Yosemite Chamber is actively seeking funding to meet the beautification needs of the Community it serves.

Hwy 120 (i.e. Main Street, Groveland) is a State Highway. As a result, commercial vehicles are not allowed to stop and remove trash or recycling from street-facing receptacles placed for public use.

In 2019, citing Yosemite National Park (YNP) statistics, over 508,000 vehicles travelled to YNP via Hwy. 120 (i.e. Main Street Groveland). Additional YNP statistics for the same year also show that of the five entrances to YNP, Hwy 120 is the route most people travelling from Northern California take to enter the Park, with 75% of the traffic to Yosemite occurring from May to December.

Beautifying the northern Gateway's entrance (Hwy 120) to YNP with unique garbage and recycling cans mural-designed by local artists, additional seating for shoppers/visitors, and flower/plant adorned containers, while decluttering Main Street's historic landscape will work to satisfy several : (1) Increase downtown commercial property values (2) Improve the prospects of attracting new business along Main Street and the Hwy 120 corridor (3) Enhance the aesthetic appeal to visitors and guests to one of the country's most popular historical mining communities.

Our Main Street businesses should not have to fulfill the trash, garbage and recycling disposal needs of the public. Instead, the Yosemite Chamber would prefer for Main Street businesses to enjoy a Groveland that becomes an ever more enticing, welcoming and beautiful destination for interested investors as well as visitors and tourists travelling through scenic Tuolumne County and into YNP.



TO: GCSB Board of Directors

FROM: Peter J. Kampa, General Manager

DATE: January 11, 2022

SUBJECT: Agenda Item 6D: Election of Board Officers for Calendar Year 2022

RECOMMENDED ACTION:

Adopt a motion to:

1. *Nominate and elect _____ Board President for Calendar Year 2022.*
2. *Nominate and elect _____ Board Vice President for Calendar Year 2022.*
3. *Appoint Rachel Pearlman to be the District's Board Secretary.*

SUMMARY

According to Section 3.1 of the Policy Manual of the Board of Directors, adopted by Board Resolution 15-04 on December 8, 2004, the Board shall annually elect the Board President and Vice President for each calendar year. Normally this is done in December. By Board policy, the General Manager or his designee shall perform the duties of Treasurer. The General Manager recommends that Rachel Pearlman continue as the District's Board Secretary. These appointments will become effective at the January 11th meeting.